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HOUSING ELEMENT



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City of Anaheim

DRAFT AMENDMENT

TO THE

HOUSING ELEMENT

OF

THE ANAHEIM GENERAL PLAN

May 1, 1984

- 20a. EIR NEGATIVE DECLARATION (Motion required)
20b. GENERAL PLAN AMENDMENT 195 - HOUSING ELEMENT (Resolution required)

PURPOSE

1. The purpose of General Plan Amendment 195 is to comply with State guidelines pursuant to Government Code Section 65588(3)(b) which states: "The housing element shall be revised as appropriate, but not less than every five years, to reflect the results of this periodic review, except that the first such revision shall be accomplished by July 1, 1984."

BACKGROUND

2. The City's current housing element was adopted by the City Council in June 30, 1981 and certified by the Department of Housing and Community Development (HCD) on July 24, 1981.
3. When the Housing Element was adopted in 1981, several 1980 census data items were not available. In addition, the regional fair-share housing allocations that were used in developing the City's housing needs analysis have been revised. These allocations are derived from the Regional Housing Allocation Model (RHAM) prepared by the Southern California Association of Governments. The current RHAM figures were made available to local municipalities in April 1983 and superseded the 1981 interim RHAM.

DISCUSSION

4. The revisions contained in this amendment are primarily technical in nature in that the current RHAM figures and newly available census data provides for a more accurate picture of the City's total Housing opportunities and needs. This update involves no change to established City goals and policies as presented in the adopted Housing Element. This revision is an addendum to the current Housing Element and updates selected technical figures in the following Sections of the adopted Housing Element:

Housing Needs
Land Inventory
Housing Constraints
Energy Considerations
Housing Programs

5. At least 45 days prior to adoption of an amendment to this element the Planning Department is required to submit a draft of the amendment to the California Department of Housing and Community Development (HCD) for review and comment. Findings by HCD are considered (by the State) to be advisory and not mandatory (Government Code Section 65585(a), (b), (c) and (d).

RECOMMENDATION

6. That the Planning Commission recommend to the City Council adoption of General Plan Amendment No. 195, an amendment to Anaheim's Housing Element; and further direct staff to forward the recommended amendment to the California Department of Housing and Community Development for review and comment prior to consideration by the City Council.

4/30/84

HOUSING ELEMENT (Amendment)

INTRODUCTION

The purpose of General Plan Amendment 195 is to comply with State guidelines pursuant to Government Code Section 65588(3)(b) which states: "The housing element shall be revised as appropriate, but not less than every five years, to reflect the results of this periodic review, except that the first such revision shall be accomplished by July 1, 1984."

The revisions contained in this amendment are primarily technical in nature in that the current RHAM figures and newly available census data provides for a more accurate picture of the City's total Housing opportunities and needs. This update involves no change to established City goals and policies as presented in the adopted Housing Element. This revision is an addendum to the current Housing Element and updates selected technical figures in the following Sections of the adopted Housing Element:

Housing Needs
Land Inventory
Housing Constraints
Housing Programs, and
Energy Considerations

HOUSING NEEDS:

Selected housing information, current and future housing needs for the City of Anaheim are derived from the Regional Housing Allocation Model (RHAM) prepared by the Southern California Association of Governments (SCAG). The current RHAM figures shown in Figure 1 were made available to local municipalities in April 1983 and superseded the 1981 interim RHAM.

The following table compares 1980 Census and RHAM housing data.

	<u>1980</u>	<u>1983</u>	<u>No.</u> <u>Difference</u>	<u>%</u> <u>Difference</u>
Total Households	79,677	81,834	2,157	+2.7
Total Housing Units	82,725	85,225	2,500	+3.0

A. CURRENT NEEDS

1. Affordability

According to the RHAM there are currently (1983) 15,885 lower income households in need (i.e. persons earning 50 and 80% of the County median income and paying more than 30% of their income for housing) in the City of Anaheim (Figure 1, Part I, Line 4). These households are distributed according to income category (low vs. very low) and tenure. Of this total 13,691 are renters. Overall, there is a total of 16,862 households of all income levels paying over 30% of income for housing in the City of Anaheim.

B. SPECIAL HOUSING NEEDS GROUPS

1. Large families

In 1980, the City had 9,752 large households (5 or more persons), or 12.2% of the City's households. Not all of these households have housing assistance needs, however. The City's Housing Assistance Plan (1982-85) estimates that there are 1,898 lower income large family households who are in need of housing assistance.

2. Minority Households

Based on the 1980 Census, an estimated 23% of the City's households are of minority heritage. The following is a breakdown of those minority households (total households responding: 79,749).

<u>Ethnicity</u>	<u>No.</u>	<u>% of Total Minority Households</u>
Spanish Origin	9,723	52.9
Black	983	5.3
Indian, Eskimo, Aleut.	635	3.5
Asian, Pacific Islander	2,495	13.6
Other	<u>4,555</u>	<u>24.7</u>
Total	18,391	100.0

3. Elderly

According to the 1980 Census, approximately 8% of the residents of the City of Anaheim are 65 years of age or older. The largest single concentration of elderly persons is found in Census Tract 869.01 in West Anaheim (area generally bounded by Lincoln Avenue on the north, Ball Road on the south, Knott Street on the west and Western Avenue on the east). This census tract contains 899 residents 65 years of age or older (5.2% of the City's total elderly population and 15.3% of the total population residing in the tract).

4. Handicapped Persons

Data on the number of lower income handicapped persons needing housing assistance is limited. Of the households enumerated in the 1975 Special Census, 3,150 or 4.3 percent reported one or more disabled household members. If one assumes that the same percentage has held constant, and it is applied to the number of households enumerated in the 1980 Census, then there appears to be approximately 3,430 households in the City of Anaheim with one or more disabled household members.

5. Households Headed by Single Individuals

According to the 1980 Census, the number of households headed by single individuals in the City of Anaheim was identified as 22.6 percent of all households. This amounts to approximately 18,025 households.

6. Displaced Households

Residential relocation will occur in the redevelopment area and through continued implementation of a rental rehabilitation program. A total of approximately 200 lower income households are expected to be displaced in a three year period, with about equal numbers in redevelopment and rental rehabilitation.

C. HOUSING CONDITIONS

1. Overcrowding

The Department of Housing and Urban Development (HUD) defines overcrowding as those occupied housing units with more than 1.01 persons per room excluding kitchen and bathroom facilities. According to the 1980 Census the City had 5,388 overcrowded housing units at the time of enumeration. This represents 6.8% of the total occupied housing units.

2. Rehabilitation/Replacement

Based on the findings of several recent housing condition surveys, there are approximately 5,286 substandard housing units in the community's inventory that are considered to be "suitable for rehabilitation" (1980 Housing Element Consultant survey of 6,440 units minus 1,154 rehabbed units equals 5,286 units still in need of rehabilitation). About 25% of the units which are suitable for rehabilitation are found in the Central City, downtown area. Moreover, about 70% of all such units are located in the four CDBG target areas. The majority of housing units suitable for rehabilitation are within multi-family structures.

Besides an estimate of housing units "suitable for rehabilitation", a housing element must also include an estimate of dwellings "needing replacement". With respect to units "needing replacement", the City's Housing Assistance Plan provides the most recent estimate of such dwellings. According to the Housing Assistance Plan, there is approximately 1000 sub-standard housing units which are unsuitable for rehabilitation. This number of dwellings represents an estimate of housing units "needing replacement".

D. FUTURE NEEDS

Future needs, as presented in the RHAM (1983), are based upon the projected five-year growth trends for the City of Anaheim, adjusted for vacancy and local income distribution. For the 1983-88 period it is estimated that 13,789 housing units will be required for all income groups in the City of Anaheim. The current median income in Orange County is \$22,802. This growth need is distributed according to income category as follows:

	<u>Five Year New Construction Needs</u>	
	<u>Units</u>	<u>% of Total</u>
Very low (0-50%)	2,523	18.3
Low (50-80%)	3,477	25.21
Moderate (80-120%)	3,042	22.06
Upper (Over 120%)	4,747	34.43
Total	13,789	100.00

LAND INVENTORY

A preliminary survey has been prepared as part of an on-going process of determining sites within the City which are presently vacant and have a high potential and/or are suitable for residential development. A vacant land exhibit, prepared and updated by Planning staff was compared to the City's General Plan to determine potential residential sites or parcels in the categories of (1) one acre or less, (2) one to five acres, and (3) five or more acres. The following table provides an overview of vacant land suitable for residential development. (The sites included in the land inventory are primarily infill and excludes large vacant land holdings in the Hills and Canyon Area of Anaheim).

	<u>VACANT SITES*</u>		
	<u>1 acre or less</u>	<u>1-5 acres</u>	<u>5 or more</u>
Single-Family (up to 6 DU/acre)	25	5	1
Multiple-Family (up to 16 DU/acre)	6	6	3
Multiple-Family (up to 36 DU/acre)	17	13	3
Residential Redevelopment (Downtown Redevelopment Project Alpha)	9	-	-
Currently non-residential	15	40	11

*The above figures represent the number of vacant parcels of varying sizes within the City limits of the City of Anaheim only.

HOUSING CONSTRAINTS

A section on Housing Constraints is included in the existing Housing Element. The following is an overview of the City and housing industry's current posture including opportunities for more housing.

A. GOVERNMENTAL

The City of Anaheim has land use policies which offer a wide range of housing opportunity and choice. Processing time and fees are reasonable and pose no serious impediments to meeting housing needs. An Article XXXIV local referendum was approved by Anaheim voters in June 1980, thereby making certain State and Federal programs available to the City.

To further the City's commitment to providing for the development of housing for all levels of income, the City has implemented measures to facilitate increased housing opportunities.

1. Minimum floor areas for multiple-family apartment dwellings. While amending the City's parking ordinance, the City Council on March 15, 1983, made provisions for the inclusion of bachelor or efficiency units with a minimum square footage of 550 square feet. Previously, the smallest permitted unit totalled 700 square feet. Code further permits 20% of the units in an apartment complex to consist of bachelor units.

2. High-Density Multiple-Family Zone. In December 1981, the City Council added provisions for an "RM-1000" Zone to the Zoning Ordinance. The RM-1000 Zone permits a density of 44 units per acre, subject to meeting development standards of the RM-3000 Zone. Previously, the RM-1200 Zone provided for the highest residential density, at 36 units per acre. Since adoption of provisions for the new zone, two condominium complexes, consisting of a total of 999 units, have been approved by the Planning Commission and City Council.
3. Housing Code Enforcement. To implement the City's policy of preservation of housing and neighborhoods, the Housing Code Enforcement Division of the Planning Department has increased their staff from 2 to 7 officers. This has enabled the division to respond to over 2500 housing code complaints in a one-year period. As the City's housing stock increases in age, housing deterioration and overcrowding become more visible. The Housing Division, recognizing the constant increase of housing code violations through complaints and inspections, anticipates on-going response to monitor preservation of housing and neighborhoods.
4. Density Bonuses (AB 1151). City of Anaheim Council Policy No. 543 (effective March 24, 1981) provides, that when a developer agrees to construct at least 25% of the units of a new housing development (consisting of five or more units) for persons of low or moderate income (50% to households at 120% of the median or below, and 50% to households at 100% of the median or below), the City will either grant a maximum 25% density bonus or provide at least two other bonus incentives. Approximately 16 housing developments (3 apartment complexes containing a total of 9 "affordable" units and 13 condominium complexes containing a total of 416 "affordable" units) have been approved under this policy as of April 15, 1984.
5. Granny Housing Units. Section 65852.1 of the California Government Code (effective January 1, 1983) requires all California cities to consider granny units (a second dwelling unit less than 640 square feet with 1 or 2 persons over the age of 60) as conditional uses in any single-family residential zone. Since the effective date of this State mandate and as of April 1, 1984, the City has received application for and approved one such conditional use permit.
6. Second Dwelling Units. In addition to granny units, California Government Code Section 65852.2 (effective July 1, 1983) requires cities to grant conditional use permits for second units subject to the following conditions:
 - (1) The unit must be used for rental purposes.
 - (2) The lot must be zoned for residential units.
 - (3) The lot must contain an existing single-family detached unit.
 - (4) The second unit must be attached to the existing residence.
 - (5) The second unit must not increase the existing living area by more than 10%.
 - (6) The second unit must comply with all applicable development standards of the specific zone.

- (7) The second unit must comply with all applicable building code requirements.
- (8) The approval of the local health officer must be obtained where a private sewer system is used.

7. Mobile Home Park Overlay Zone (AB 2748). In an effort to conform with AB 2748 (pertaining to mobile home park conversion), the Anaheim City Council on August 8, 1982 approved a Mobile Home Park Overlay (MHP) Zone to be applied to all mobile home parks in the City. The Overlay Zone provides mobile home park tenants a guarantee of a public hearing before conversion occurs. The proponent of the conversion must also provide a conversion impact report addressing the relocation of the mobile home park tenants.

B. NON-GOVERNMENTAL

The median price of homes in Orange County has remained at about \$135,000 for over the past two years. These prices are among the highest in the State, also in the country. After the heavy inflationary period of growth in housing from 1975 to 1978-79, the housing industry took a strong downward turn. This was primarily due to the unprecedented high interest rates of up to 17%-19% for mortgage money.

This literally stopped the housing industry. Sales of new homes dropped statewide from 545,000 units in 1980 to 335,000 in 1982. The year 1983 was a better year for housing purchasers in that interest rates declined to 13%-14%; however, these rates still prohibited the majority of buyers from purchasing. California still experiences strong housing demand but it is a "pent-up" demand due to inability to purchase. The "sunbelt" attraction is still strong and large landholders have created new communities with potential for industrial development that will continue to draw people to the Southern California area. Although interest rates have stifled the housing market and driven down prices somewhat, the pent-up demand is so great that the need for affordable housing has really been expended instead of retracted.

A major source of housing demand is a result of demographics, particularly age structure and family composition. Social forces have facilitated more independent households through higher divorce rates and more single heads of households. Also, the older population tends to have stronger demands, i.e., more separate households. Current data indicates 67% of the population to be in the 15-59 age group. This represents a continuing trend toward an older population.

A primary market condition that has affected housing is the general economic conditions due to the recession. Many people that bought housing with "creative" financing and/or speculated on an increase in housing prices were caught in situations where they could not afford the payments, could not refinance a balloon payment loan at a reasonable rate, and could not continue making payments on the one or two homes they owned. This created the largest number of foreclosures in the history of Orange County Tax Assessor's office. These foreclosures found many banks and private financiers holding houses they did not want and could not sell. This did have the effect of lowering inflated prices, but also had a backlash effect of making lenders more conservative than ever; therefore, making it more difficult for buyers to qualify.

Rental Housing has encountered some of the same problems and opportunities. In the State of California, some Rental Housing starts went from 290,000 units in 1977 to under 100,000 in 1980 due to high interest rates, scarcity of land zoned for high density, reduction of federal incentives to invest in rental housing and high demand for condominiums.

In Anaheim, zoning for property of medium density residential allows for either multi-family residential (RM-1200) or condominiums (RM-3000). Therefore, a developer has had options to build either type of housing on an appropriately zoned site. The market place dictated the type of development. The time period from 1977 to 1980 experienced most medium density residential construction occurring as condominiums due to higher demand and higher return on investment. However, in the last two years due to recession and higher interest rates, condominiums have not been selling as rapidly and many more of the medium density lots have experienced construction as multi-family rental units (mostly high end rentals) due to a large number of renters in the market.

ENERGY CONSIDERATIONS

Utilities expenses contribute to housing costs. Anaheim residential energy is supplied primarily as natural gas and electricity.

Natural gas is supplied by the Southern California Gas Company. Rates are maintained at reasonable levels and the company has a comprehensive conservation program.

Electricity is supplied by the City of Anaheim, Utilities Department, Electrical Division. The community's Electrical Utility was begun in 1895, one of California's first. The utility purchases bulk electricity, primarily from the Southern California Edison Company (SCE), then distributes the electrical energy via the City system to businesses and homes in accordance with the Anaheim General Plan:

Goal: To provide utility services adequate to enhance the health, safety and general welfare of present and future citizens of Anaheim.

Policy: Serve electrical energy to all electrical consumers in Anaheim in a reliable and efficient manner which is consistent with good utility and business practices at rates which are equal to or lower than rates for comparable services in adjacent communities.

The City's Electrical Utility continues to implement these goals and policies by for example, participation with several other Southern California cities to participate in studies and licensing activities for various generation and intertie projects which would allow for purchase and transmission of lower cost purchased power from sources in Arizona, New Mexico and West Texas regions.

Also, the Utility is engaged in an on-going comprehensive program of physical and technological modernization of distribution facilities and equipment aimed at improving efficiency, reducing operating and capital costs and/or improving system reliability.

Additionally, the City Utilities-Conservation Services Section provides a comprehensive program for energy conservation including free home energy audits, educational materials/services and encouragement of rehabilitation and retrofit measures which may qualify for Federal/State tax credits and special billing credits for use of free time clock trippers as for pool heaters. Finally, the City is actively exploring cogeneration and waste to energy potentials.

The Anaheim General Plan also provides for and encourages balanced land uses and a variety of residential types including higher densities (up to 90 dwellings/acre) and cluster development. The resultant land use mix and spatial distribution should result in less capital/operating utility system costs and also less energy use for transportation, i.e. home-to-work and home-to-shopping.

In implementing the General Plan, the City utilizes the Environmental Assessment process to identify and evaluate projects which might require (or wastefully use) large amounts of energy; and the City via development-processing assures project compliance with all provisions of Federal and State energy-related regulations and guidelines including Title 24 - Design and Construction (insulation, space conditioning, cooking and lighting) and the Solar Rights Act (provision for passive and/or natural heating and cooling of homes in residential subdivisions).

HOUSING PROGRAMS

The following program sheets are an update to existing programs as presented in the adopted Housing Element. Updates are indicated where underlined.

Exhibit V-3
City of Anaheim Housing Program Summary

A. HOUSING PROGRAMS
IN THE PROCESS
OF BEING IMPL-
MENTED

	POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE(S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
1. Neighborhood Clean up Campaigns	• Preservation of Housing and Neighborhoods	• Several residential blocks in the City are to be selected for participation in this program	• Block clean-up parties • Placement of addi- tional drop off bins in selected residential blocks	• Community De- velopment Block Grants	• City of Anaheim, Community De- velopment Depart- ment	• Ongoing program
2. Youth Paint and Pick-up	• Preservation of Housing and Neighborhoods	• Improve mainten- ance levels in several residential neighborhoods	• Dwellings are painted • Landscaping is maintained • Grants to cover the material costs are provided by the City to income- eligible participants • Maximum amount of a grant is \$500	• Community De- velopment Block Grants (materials) • Neighborhood Youth Corps Funds (youth workers) • JTPA (instruc- tors)	• City of Anaheim, Community De- velopment Depart- ment	• Ongoing program
3. Code Enforcement	• Preservation of Housing and Neighborhoods	• Inspection of 2,100 to 2,400 housing units for possible code violations <u>on an annual basis</u>	• Inspection of sus- pected violations in structures located <u>within designated Target Areas</u> • Enforcement of the Housing Code Ord- nance	• Community De- velopment Block Grants • <u>Federal Revenue sharing</u>	• City of Anaheim, <u>Planning Depart- ment, Code Enforcement and Housing</u>	• Ongoing <u>Program</u>
4. Rebates	• Preservation of Housing and Neighborhoods • Preservation of Affordable Hous- ing	• Provide financial incentives for private investment in housing repair and maintenance <u>both owner occupied and investor owner</u>	• Rebate on the amount invested by participants with their own income • Amount of the rebate is graduated according to income • Maximum amount of a rebate is \$500 • <u>Maximum rebate for investor owner not to exceed \$5,000</u>	• Community De- velopment Block Grants	• City of Anaheim, Community De- velopment Depart- ment	• Ongoing program

A. HOUSING PROGRAMS
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	POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE(S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
5. Deferred Loans	<ul style="list-style-type: none"> • Preservation of Housing and Neighborhoods • Preservation of Affordable Housing 	<ul style="list-style-type: none"> • Rehabilitation of 20 housing units <u>annually</u> 	<ul style="list-style-type: none"> • "Last resort" method of rehabilitation financing when property owner cannot afford monthly payments • Loan payments are deferred until the property is transferred or when the loan is due 	<ul style="list-style-type: none"> • Community Development Block Grants • Deferred Payment Rehabilitation Loan Program (State) 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> • <u>Ongoing Program</u>
6. Housing Repair	<ul style="list-style-type: none"> • Preservation of Housing and Neighborhoods 	<ul style="list-style-type: none"> • <u>Rehabilitation of 10 units annually</u> 	<ul style="list-style-type: none"> • A maximum of \$5,000 per house is available to finance necessary housing code-related repair work • Cost of repairs is made into a lien which becomes a grant if the occupant remains the owner for 5 years 	<ul style="list-style-type: none"> • Community Development Block Grants 	<ul style="list-style-type: none"> • City of Anaheim, Manpower Division 	<ul style="list-style-type: none"> • <u>Ongoing Program</u> (116 homes rehabilitated since program inception)
7. Low Interest Loans	<ul style="list-style-type: none"> • Preservation of Housing and Neighborhoods 	<ul style="list-style-type: none"> • Rehabilitation of owner-occupied and rental housing 	<ul style="list-style-type: none"> • Rehabilitation financing with below market interest rates (7 1/2-8 1/2) • Loan origination and servicing is through local lending institutions 	<ul style="list-style-type: none"> • Community Development Block Grants (includes 18 below) 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> • Ongoing programs
8. Multi family Rehabilitation	<ul style="list-style-type: none"> • Preservation of Housing and Neighborhoods • Preservation of Affordable Housing 	<ul style="list-style-type: none"> • <u>Rehabilitation of 500 investor-owned rental housing units</u> 	<ul style="list-style-type: none"> • Interest reduction payments to lower interest paid by borrower to 7 1/2 below market rates • Low income tenants are assisted by the Section 8 program 	<ul style="list-style-type: none"> • Community Development Block Grants • Section 8 Housing Assistance Payments • <u>Rental Rehabilitation Grant</u> (beginning October 1984) 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department • City of Anaheim, Housing Authority 	<ul style="list-style-type: none"> • <u>Ongoing Program</u> (500 units rehabilitated to date)

A. HOUSING PROGRAMS IN THE PROCESS OF BEING IMPL- MENTED	POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE(S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
9. California Housing Finance Agency (CHFA) Loan Program	<ul style="list-style-type: none"> • Preservation of Housing and Neighborhoods • Adequate Provision for Housing Needs 	<ul style="list-style-type: none"> • Rehabilitation of 205 owner-occupied housing units 	<ul style="list-style-type: none"> • Below market interest rate (9%) loans are available from CHFA • Interest rate write-downs are available from the City 	<ul style="list-style-type: none"> • California Housing Finance Agency (revenue bond proceeds) • Community Development Block Grants 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> • <u>Program completed in June 1981</u>
10. Moderate Rehabilitation	<ul style="list-style-type: none"> • Housing and Neighborhood Preservation 	<ul style="list-style-type: none"> • <u>Rehabilitation of 50 rental housing units</u> 	<ul style="list-style-type: none"> • Minimum expenditure of \$1,000 per unit to qualify for moderate rehabilitation • Housing assistance payments on behalf of income-eligible families once units are rehabilitated 	<ul style="list-style-type: none"> • Section 8 housing assistance • Public and private rehabilitation financing is possible 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department • U.S. Department of Housing & Urban Development 	<ul style="list-style-type: none"> • <u>Achievement of objective by mid-year 1985</u> • <u>(Rehabilitation of 278 units are completed or in progress)</u>
11. Section 312 Rehabilitation	<ul style="list-style-type: none"> • Housing and Neighborhood Preservation 	<ul style="list-style-type: none"> • <u>Rehabilitation of 50 owner-occupied housing units and rental housing units</u> 	<ul style="list-style-type: none"> • Below market interest rate loans • Loan amount ceilings established for this program 	<ul style="list-style-type: none"> • U.S. Department of Housing & Urban Development (\$331,450 received to date) 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department • U.S. Department of Housing & Urban Development 	<ul style="list-style-type: none"> • <u>Ongoing program based on recapture money available</u>
12. Acquisition with Rehabilitation	<ul style="list-style-type: none"> • Housing and Neighborhood Preservation 	<ul style="list-style-type: none"> • Rehabilitation of housing on a scattered site basis in the CDBG Target areas 	<ul style="list-style-type: none"> • Acquisition of land parcels currently unimproved or underdeveloped • Rehabilitation of housing (at site or move on and sale to low and moderate income applicants) 	<ul style="list-style-type: none"> • Community Development Block Grants 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> • <u>Ongoing Program</u>

**A. HOUSING PROGRAMS
IN THE PROCESS
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	POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE(S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
13. Acquisition with Replacement	• Housing and Neighborhood Preservation	• Elimination of housing too deter- iorated to rehabili- tate	• Acquisition of land parcels having hous- ing unsuitable for rehabilitation • Development of new housing affordable to low and moderate income households	• Community Develop- ment Block Grants	• City of Anaheim, Community Develop- ment Department	• <u>Ongoing Program</u>
14. Neighborhood Improvements	• Housing and Neighborhood Preservation	• Street light improve- ments and alley re- pairs in four CDBG Target Areas • Park facilities will be provided in CDBG Target Areas	• Scheduling and completing repairs and improvements	• Community Develop- ment Block Grants	• City of Anaheim, Community Develop- ment Department	• <u>Achievement of planned neigh- borhood improve- ments by June 1988</u>
V-36 15. Land Acquisi- tion or write down--vacant sites	• Standards and Plans for Ade- quate Housing Sites	• <u>Construction of 96 units affordable to low and moderate income households</u>	• Land acquisition of vacant sites • Sale of property through a write- down contingent upon development of affordable hous- ing	• Community Develop- ment Block Grants -- \$100,000	• City of Anaheim, Community Develop- ment Department	• <u>Write down of land is complete</u> • <u>Development and occupancy of all housing by mid- year 1984</u>
16. Land Acquisition Infill & New Construction	• Standards and Plans for Ade- quate Housing Sites	• Development of af- fordable housing units on acquired lots	• Land acquisition on a scattered site basis • Development of new, affordable owner- ship housing	• Community Develop- ment Block Grants -- \$100,000 • Section 235 housing assistance payments • CHFA financing • <u>Housing Authority funds</u>	• City of Anaheim, Community Develop- ment Department <u>City of Anaheim Housing Authority</u>	• Acquisition com- pleted on the first six lots for this project • <u>Development of 20 units of new housing by June 1985</u>
17. Land Use Ele- ment & Zoning Ordinance	• Standards and Plans for Ade- quate Housing Sites	• Continued provision of housing oppor- tunity and choice through land use planning and de- velopment controls	• Implementation of the Land Use Ele- ment of the General Plan • Enforcement of the Zoning Ordinance	• City of Anaheim, Annual Municipal Budget	• City of Anaheim, Planning Depart- ment	• Ongoing

A. HOUSING PROGRAMS
IN THE PROCESS
OF BEING IMPE-
MENTED

	POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE(S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
18. Section 8 Existing Housing	<ul style="list-style-type: none"> Adequate Pro- vision for Housing Needs 	<ul style="list-style-type: none"> Housing assistance to 2,050 lower in- come families in existing standard housing 	<ul style="list-style-type: none"> Determination of income eligibility Housing assistance payments on behalf of eligible families 	<ul style="list-style-type: none"> U.S. Department of Housing and Urban Development (Section 8 housing assistance payments) 	<ul style="list-style-type: none"> City of Anaheim, Housing Authority 	<ul style="list-style-type: none"> Ongoing
19. Rent Stabilization	<ul style="list-style-type: none"> Adequate Provision for Housing Needs Preservation of Affordable Housing 	<ul style="list-style-type: none"> Reduce the pres- sures on escalat- ing rents 	<ul style="list-style-type: none"> Rent stabilization is a principal aim of programs that the City has some direct participation in funding or aid- ing Policy and programs are implemented as part of separate housing programs 	<ul style="list-style-type: none"> Tied to programs such as multi-family rehabilitation 	<ul style="list-style-type: none"> City of Anaheim, Housing Authority City of Anaheim, Community Develop- ment Department City of Anaheim, Planning Depart- ment 	<ul style="list-style-type: none"> Ongoing/ tied to implementa- tion of programs such as multi- family rehabili- tation
20. Section 235 Home Owner ship	<ul style="list-style-type: none"> Adequate Provision for Housing Needs 	<ul style="list-style-type: none"> Production of housing units to be assisted by this program 	<ul style="list-style-type: none"> Coordination with infill/new construc- tion programs Housing assistance payments on behalf of income eligible families 	<ul style="list-style-type: none"> U.S. Department of Housing & Urban Development (Sec- tion 235 housing assistance pay- ments) 	<ul style="list-style-type: none"> City of Anaheim, Community Develop- ment Department 	<ul style="list-style-type: none"> HUD has discon- tinued this program <u>Will be re- instated if funds become available</u>
21. Section 8 New Construction	<ul style="list-style-type: none"> Adequate Provision for Housing Needs 	<ul style="list-style-type: none"> Production of 204 <u>affordable rental housing units completed to date</u> 	<ul style="list-style-type: none"> Construction of new housing that meets the criteria of the City of Anaheim & U.S. Department of Housing & Urban Development Housing assistance payments on behalf of eligible families 	<ul style="list-style-type: none"> U.S. Department of Housing & Urban Development (Sec- tion 8 housing assistance pay- ments) 	<ul style="list-style-type: none"> City of Anaheim, Community Develop- ment Department 	<ul style="list-style-type: none"> HUD has discon- tinued this program <u>Will be re- instated if funds become available</u>

A. HOUSING PROGRAMS IN THE PROCESS OF BEING IMPLE- MENTED

	POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE(S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
22. Affordable Housing Incentives	• Adequate Provision for Housing Needs	• <u>Production of 170+ housing units affordable to low and moderate in- come households</u>	• Provision of Incen- tives for the pro- duction of new, affordable mobile home park housing • Provision of Incen- tives for the pro- duction of new, affordable rental housing • Incentives include items such as priority plan check, land value write-downs, density bonuses, etc.	• City of Anaheim, Annual Municipal Budget • California Housing Finance Agency (below market rate permanent finan- cing) • U.S. Department of Housing & Urban Development (Sec- tion 8 Housing Assistance Pay- ments)	• City of Anaheim, Community Develop- ment Department • City of Anaheim, Planning Depart- ment • City of Anaheim, Housing Authority	• Ongoing Program (<u>170 units</u> approved to date)
23. Fair Housing	• Provision of Accessible Housing	• Encourage and facilitate the practice of fair & open housing to all	• Contract with Orange County Fair Housing Council to counsel Section 8 recipients & to provide for assis- tance and education to Anaheim residents on fair housing issues	• Community Develop- ment Block Grants <u>--\$114,000 over life of program (begun in 3rd year of II/CDA program)</u>	• City of Anaheim, Community Develop- ment Department • Orange County Fair Housing Council	• Ongoing
24. Spatial Decon- centration	• Provision of Accessible Housing	• Prevent or dis- courage a concen- tration and/or se- gregation of persons based on income or race	• Use of Section 8 and other program funds to help provide hous- ing outside of impact- ed areas and to meet the mobility needs of the City's lower income households & minority popula- tion	• Community Develop- ment Block Grants	• City of Anaheim, Community Develop- ment Department	• Ongoing; tied to funding for specific pro- grams

A. HOUSING PROGRAMS
IN THE PROCESS
OF BEING IMPL-
MENTED

	POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE(S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
25. Special Counseling	• Provision of Accessible Housing	• Assist special need households • Provide housing education	• Provide counseling and education on housing maintenance financial management and homeownership primarily in the Target Area	• Community Develop- ment Block Grants -- \$20,000 since program inception (now handled by Housing Rehabilitation staff)	• City of Anaheim, Community Develop- ment Department	• Ongoing
26. Barrier Removal	• Provision of Accessible Housing	• Removal of barriers to the handicapped	• Priority funding for 53 rehabilitation loans to owners needing to remove barriers to the handicapped	• Community Develop- ment Block Grants -- \$100,000 since program start-up	• City of Anaheim, Community Develop- ment Department	• Ongoing
27. <u>Implementation of AB1151 and Senior Citizen CUP ordinance</u>	• Standards and Plans for Ade- quate Housing Sites	• <u>Production of 50 housing units for lower income house- holds</u>	• Investigate alter- native methods of developing a pro- gram to implement AB1151	• Community Develop- ment Block Grants • City of Anaheim, Annual Municipal Budget	• City of Anaheim, Planning Depart- ment • City of Anaheim, Community Develop- ment Department	• Ongoing • <u>300 units approved to date)</u>
28. <u>Shared Equity</u>	• Adequate Provision for Housing Needs	• Facilitate home ownership by first time buyers • Reduce downpay- ment requirements	• Consider participa- tion in State pro- grams (AB333) • Promote idea of shared equity among major industrial firms	• State (AB333) -- <u>(approximately \$2,000,000 received and 40 units funded to date)</u>	• City of Anaheim, Community Develop- ment Department	• Ongoing: <u>depending on funding</u>
29. <u>Shared Housing</u>	• Adequate Provision for Housing Needs	• <u>150 matches (elderly with elderly or inter- generational)</u>	• Assist individuals seeking alternative living arrangements by sharing space	• Community Develop- ment Block Grant	• City of Anaheim Community Develop- ment Department	• Ongoing: (41 <u>matches to date)</u>

B. HOUSING PROGRAMS TO BE IMPLEMENTED	RELATED POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE (S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
1. Substantial Rehabilitation	• Housing and Neighborhood Preservation	• Rehabilitation of 75 to 100 housing units (upon implementation)	• Rehabilitation of housing units which requires more than routine or minor repairs • Renovation, alteration or remodeling of structurally sound property for use under the Section 8 program	• Public and private rehabilitation financing • Section 8 housing assistance payments	• City of Anaheim, Community Development Department • U.S. Department of Housing & Urban Development	• Program has been <u>discontinued</u> prior to implementation • Will be <u>reinstated</u> if funds <u>become</u> available
2. Acquisition with Rehabilitation (Public Housing)	• Housing and Neighborhood Preservation	• Rehabilitation of 100 to 150 housing units (upon implementation)	• Acquisition of housing by the City Housing Authority • Rehabilitation of acquired property prior to occupancy by lower income families	• U.S. Department of Housing & Urban Development	• City of Anaheim, Housing Authority	• Dependent upon <u>funding</u>
3. Residential Rehabilitation (Marks-Foran and other <u>tax exempt financing</u>)	• Housing and Neighborhood Preservation	• Rehabilitation of 300 to 350 housing units (upon implementation)	• Preparation and completion of tax exempt revenue bond issue • Through proceeds, provision of residential rehabilitation financing	• Tax exempt revenue bond proceeds pursuant to Marks Foran program	• City of Anaheim	• Bond issue <u>statement</u> prepared but not sold due to <u>market conditions</u>
4. "Pre Selecting" Affordable Housing Sites	• Standards and Plans for Adequate Housing Sites	• Identification of potential sites for new, affordable housing	• Identification of vacant or under-developed sites which satisfy HUD/CHFA criteria • Submittal of sites to HUD to secure pre-selected status • Incorporation of pre-selected sites in Housing Assistance Plan	• Community Development Block Grants • City of Anaheim, Annual Municipal Budget	• City of Anaheim, Planning Department	• Site identification <u>completed</u> and <u>on-going</u>

B. HOUSING PROGRAMS
TO BE
IMPLEMENTED

	RELATED POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE (S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
5. Site Inventories	• Standards and Plans for Adequate Housing Sites	• Identification of vacant sites suitable for new, affordable housing	• Inventory "by-passed" parcels • Inventory surplus public land	• Community Development Block Grants • City of Anaheim, Annual Municipal Budget	• City of Anaheim, Planning Department • City of Anaheim, Community Development Department	• <u>Ongoing</u>
6. "Second Units"	• Standards and Plans for Adequate Housing Sites	• Consideration of practical methods to promote "second units" (see text for definition of term) • Production of 1,192 housing units for lower income households upon establishment of procedures	• Review locational criteria and development standards • Analyze impacts of added density in existing neighborhoods • Establish procedures for allowing second units	• City of Anaheim, Annual Municipal Budget (staff time to prepare procedures)	• City of Anaheim, Planning Department	• <u>City procedures under study</u>
7. <u>Residential/Commercial Development</u>	• Standards and Plans for Adequate Housing Sites	• Develop another method of reducing housing costs by establishing procedures to allow the development of commercial and residential uses in the same building	• Evaluate prototypical developments • Formulate development policies and standards	• City of Anaheim, Annual Municipal Budget (staff time)	• City of Anaheim, Planning Department	• <u>Continued analysis</u>

B. HOUSING PROGRAMS TO BE IMPLEMENTED	RELATED POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE(S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
8. Condominium Conversions	<ul style="list-style-type: none"> • Adequate Provision for Housing Needs • Preservation of Affordable Housing 	<ul style="list-style-type: none"> • Create affordable ownership housing • Control escalating rents • Achieve housing rehabilitation 	<ul style="list-style-type: none"> • Establish guidelines and criteria for apartment to condominium conversions 	<ul style="list-style-type: none"> • City of Anaheim, Annual Municipal Budget • Various programs for below market rate financing and housing assistance 	<ul style="list-style-type: none"> • City of Anaheim, <u>Planning Department</u> 	<ul style="list-style-type: none"> • <u>Guidelines completed. Ongoing implementation</u>
9. CHFA Direct Lending	<ul style="list-style-type: none"> • Adequate Provision for Housing Needs 	<ul style="list-style-type: none"> • Assist in the financing of 345 new, affordable rental housing units 	<ul style="list-style-type: none"> • Below market rate construction loans • Below market rate permanent financing • Housing assistance payments for income eligible families 	<ul style="list-style-type: none"> • CHFA, tax-exempt revenue bond proceeds 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> • <u>Production of 170 affordable rental units by June 1984</u>
10. Section 202 Elderly Housing	<ul style="list-style-type: none"> • Adequate Provision for Housing Needs 	<ul style="list-style-type: none"> • Assist in the financing of 150 new, affordable rental housing units for elderly households 	<ul style="list-style-type: none"> • Below market rate construction loans • Housing assistance payments for income eligible families 	<ul style="list-style-type: none"> • U.S. Department of Housing & Urban Development 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> • <u>Production of 100 new housing units by mid-year 1985</u>
11. Cooperative Housing	<ul style="list-style-type: none"> • Adequate Provision for Housing Needs 	<ul style="list-style-type: none"> • Encourage and facilitate a range of ownership opportunities 	<ul style="list-style-type: none"> • Coordinate with organization interested in cooperative housing 	<ul style="list-style-type: none"> • U.S. Department of Housing & Urban Development (mortgage insurance) 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> • Ongoing; target is to establish cooperative housing in three years

B. HOUSING PROGRAMS TO BE IMPLEMENTED	RELATED POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE (S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
12. Graduated Payment Mortgage	• Adequate Provision for Housing Needs	• Facilitate home ownership • Reduce monthly housing payments	• Coordinate with other program activities such as CHFA/HOHH	• Community Develop- ment Block Grants (staff time for coordination)	• City of Anaheim, Community Develop- ment Department	• Ongoing
13. Public Housing	• Adequate Provision for Housing Needs	• Assist in the pro- duction of 100 to 150 affordable ren- tal housing units	• Obtain voter appro- val through the referendum process • Prepare and submit funding application	• U.S. Department of Housing & Urban Development	• City of Anaheim, Community Develop- ment Department	• <u>Dependent on funding</u>

C. HOUSING PROGRAMS WHICH NEED FURTHER STUDY	RELATED POLICY AREA	PURPOSE OF STUDY	GROUP RESPONSIBLE FOR STUDY	TIME SCHEDULE FOR COMPLETION
1. Rent Stabilization/ Rent Control Monitoring	• Adequate Provision for Housing Needs	<ul style="list-style-type: none"> • Collect information on rent stabilization/rent control policies of other jurisdictions • Evaluate and prepare periodic reports to Planning Commission and City Council 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department • City of Anaheim, Planning Department 	• <u>Continued Study</u>
2. <u>Tax exempt financing for single family and multi-family rehabilitation</u>	• Adequate Provision for Housing Needs	<ul style="list-style-type: none"> • Continue to monitor Congressional legislation • Review and analyze feasibility of an SB99 revenue bond issue 	<ul style="list-style-type: none"> • <u>City of Anaheim, Redevelopment Agency, Housing Authority</u> 	• <u>Continued Study</u>
3. Fair Housing for Children	• Provision of Accessible Housing	<ul style="list-style-type: none"> • Evaluate alternative approaches for assuring housing accessible to families with children • Review and evaluate ordinances & guidelines of other cities 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department • City of Anaheim, Planning Department 	• <u>Continued analysis following California Supreme Court rulings</u>

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS
REGIONAL HOUSING ALLOCATION MODEL

PAGE 1 OF 3

RHAM TABLE FOR: ANAHEIM
COUNTY: ORANGE

FIGURE 1

DATA CURRENT AS OF: 03/21/83
REPORT WRITTEN: 04/05/83

RHAM SUMMARY TABLE

PART I CURRENT NEEDS AND GENERAL INFORMATION (01/01/83)

(1) TOTAL HOUSEHOLDS	81,834	-----TOTAL-----		-----OWNERS-----		-----RENTERS-----	
(2) TOTAL HOUSING UNITS	85,225	VERY LOW	LOW	VERY LOW	LOW	VERY LOW	LOW
(3) UNOCCUPIED UNITS (LINE 2 - LINE 1)	3,391						
(4) HOUSEHOLDS IN NEED (LOWER INCOME HOUSEHOLDS PAYING OVER 30% OF INCOME FOR HOUSING, FROM 1980 CENSUS)	15,885	9,659	6,226	1,213	980	8,446	5,245

PART II FUTURE NEEDS (01/01/83 TO 01/01/88)

	TOTAL	VERY LOW (0%-50%)	LOW (50%+-80%)	MODERATE (80%+-120%)	UPPER (OVER 120%)
(1) 1988 HOUSEHOLDS (PER SCAG-82)	94,328				
(2) 1983 HOUSEHOLDS	81,834				
(3) 5-YEAR GROWTH IN HOUSEHOLDS (LINE 1 - LINE 2)	12,494				
(4) 1988 MARKET VACANCY GOAL (FROM APPENDIX TABLE I)	4,156				
(5) 1983 MARKET VACANCIES	3,048				
(6) VACANCY SURPLUS OR DEFICIT (LINE 4 - LINE 5)	1,108				
(7) 1983-88 EXPECTED UNITS LOST FROM STOCK	187				
(8) FUTURE HOUSING UNIT NEEDS, FOR ALL INCOME GROUPS, ADJUSTED TO AVOID IMPACTION, FROM APPENDIX TABLE III (LINES 3+6+7+8)	13,789 (100.00%)	2,523 (18.30%)	3,477 (25.21%)	3,042 (22.06%)	4,747 (34.43%)
(9) SPECIAL INCOME GROUP NEED FOR HIGH COST AREAS (NUMBER OF HOUSEHOLDS WITH ANNUAL INCOMES OVER \$24,031 (120% OF MEDIAN FOR JURISDICTION), BUT BELOW \$31,884 NEEDED TO PURCHASE MEDIAN-PRICED HOME AT \$93,000.	18,744				
		OWNER %	RENTER %	S.F. %	M.F. %
(10) TENURE AND BUILDING TYPE SPLITS OF 1988 HOUSING STOCK		47.47	52.53	55.89	44.11
(11) FARMWORKER HOUSEHOLDS ELIGIBLE FOR ASSISTANCE (FROM APPENDIX TABLE II)	183				

RHAM TABLE FOR: ANAHEIM
COUNTY: ORANGE

FIGURE 2

DATA CURRENT AS OF: 03/21/83
REPORT WRITTEN: 04/05/83

APPENDIX TABLE I
VACANCIES AND VACANCY RATES

PART I: 1988 MARKET VACANCIES	OWNERS	RENTERS	TOTAL
(1) TOTAL 1980 HOUSEHOLDS (1980 CENSUS)	40,455 (50.7%)	39,294 (49.3%)	79,749 (100.0%)
(2) UNITS MOVED-INTO PREVIOUS YEAR (1-79 TO 3-80)	6,061	19,738	25,799
(3) ANNUAL MOVE-IN RATE (LINE 2 / LINE 1)	14.98	50.23	32.35
(4) "IDEAL" MOBILITY RATE (MULTIPLY LINE 3 BY 2/15 (.13333) TO ALLOW FOR MOBILITY)	2.00	6.70	4.31
(5) 1988 HOUSEHOLDS (FROM RHAM SUMMARY TABLE, PART II, LINE 1)	45,987	48,341	94,328
(6) IDEAL VACANCY GOAL (LINE 5 / (100 - LINE 4)) (ENTER TOTAL ON RHAM SUMMARY TABLE, PART II, LINE 4)	919	3,238	4,156
PART II: 1983 MARKET VACANCIES			
(1) 1983 HOUSING STOCK	41,420	43,096	84,515
(2) 1983 MARKET VACANCY RATE	1.30	5.82	3.61
(3) 1983 MARKET VACANCIES (LINE 1 X LINE 2) ENTER TOTAL ON RHAM SUMMARY TABLE, PART II, LINE 5	539	2,509	3,048

NOTE: FOR THE YEAR 1988, THE TOTAL HOUSING UNITS COMPUTED FROM THE RHAM MAY DIFFER FROM THOSE COMPUTED FROM THE SCAG-82 GROWTH FORECAST, DUE TO THE INCLUSION IN THE SCAG-82 TOTALS OF UNITS THAT ARE VACANT, BUT NOT FOR SALE OR RENT. ACCORDING TO THE CENSUS OF POPULATION AND HOUSING, 697 UNITS WERE LISTED AS VACANT, NOT AVAILABLE FOR SALE OR RENT IN 1980. THIS MODEL ASSUMES THAT VACANT AND UNAVAILABLE UNITS WILL REMAIN AS PART OF THE HOUSING STOCK, BUT NEED NOT BE PART OF FUTURE HOUSING NEEDS.

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS
REGIONAL HOUSING ALLOCATION MODEL

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RHAM TABLE FOR: ANAHEIM
COUNTY: ORANGE

FIGURE 3

DATA CURRENT AS OF: 03/21/83
REPORT WRITTEN: 04/05/83

APPENDIX TABLE II
FARMWORKER HOUSING NEEDS

	TOTAL	VERY LOW	LOW
(1) FARM, FISHING, FORESTRY WORKERS, 1980 CENSUS COUNTY TOTAL	11,666		
(2) FARM, FISHING, FORESTRY WORKERS, 1980 CENSUS JURISDICTION TOTAL	1,190		
(3) JURISDICTION PERCENTAGE OF COUNTY TOTAL (LINE 1 / LINE 2)	10.20		
(4) ESTIMATED FARMWORKER HOUSEHOLDS IN COUNTY (FROM EDD)	1998		
(5) ESTIMATED FARMWORKER HOUSEHOLDS IN JURISDICTION (MULTIPLY LINE 3 BY LINE 4)	204		
(6) PERCENTAGE OF LOW AND VERY LOW INCOME FARMWORKER HOUSEHOLDS	90.00	55.00	35.00
(7) TOTAL FARMWORKER HOUSEHOLDS ELIGIBLE FOR ASSISTANCE (MULTIPLY LINE 5 BY LINE 6 AND ENTER TOTAL ON RHAM SUMMARY TABLE, PART II, LINE 11)	183	112	71

APPENDIX TABLE III
IMPACTION AVOIDANCE FACTOR

	VERY LOW (%)	LOW (%)	MODERATE (%)	UPPER (%)	TOTAL (%)
(1) TOTAL FUTURE HOUSING NEEDS (FROM RHAM SUMMARY TABLE, LINE 8, TOTAL)					13,789
(2) REGIONAL INCOME DISTRIBUTION (FROM 1980 CENSUS)	2,298 (16.7%)	3,246 (23.5%)	2,610 (18.9%)	5,635 (40.9%)	13,789 (100.0%)
(3) LOCAL INCOME DISTRIBUTION (FROM 1980 CENSUS)	2,598 (18.8%)	3,553 (25.8%)	3,186 (23.1%)	4,451 (32.3%)	13,789 (100.0%)
(4) AVOIDANCE OF IMPACTION (100% EFFORT) (LINE 2 - LINE 3)	-300	-307	-577	1,184	-0
(5) MULTIPLY BY .25 (POLICY ADOPTED -- REASONABLE EFFORT TO AVOID IMPACTION)	-75	-77	-144	296	-0
(6) REVISED LOCAL DISTRIBUTION TO AVOID IMPACTION (LINE 5 + LINE 3) (ENTER ON RHAM SUMMARY TABLE, LINE 8)	2,523 (18.3%)	3,477 (25.2%)	3,042 (22.1%)	4,747 (34.4%)	13,789 (100.0%)

CITY OF ANAHEIM

HOUSING ELEMENT
OF THE
GENERAL PLAN

REVISED: AUGUST 1980

ADOPTED BY PLANNING COMMISSION: JUNE 1, 1981

ADOPTED BY CITY COUNCIL: JUNE 30, 1981

FOUND IN COMPLIANCE WITH STATE LAW
BY THE STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
JULY 24, 1981

RESOLUTION NO. PC81-125

A RESOLUTION OF THE ANAHEIM CITY PLANNING COMMISSION
ADOPTING AND RECOMMENDING TO THE CITY COUNCIL OF THE CITY OF ANAHEIM
ADOPTION OF GENERAL PLAN AMENDMENT NO. 164
AMENDMENT TO THE HOUSING ELEMENT

WHEREAS, the City Council of the City of Anaheim did adopt the Anaheim General Plan by Resolution No. 69R-644, showing the general description and extent of land uses within the City and indicating the present belief of the Council as to possible future development and redevelopment of land within the City; and

WHEREAS, on May 5, 1973, the City Council amended the General Plan by adopting and incorporating the Housing Element (GPA NO. 126) per the State Housing Guidelines then in effect; and

WHEREAS, on November 17, 1977, the California Department of Housing and Community Development (HCD), adopted revised guidelines for local Housing Elements; and on September 26, 1980, the State adopted AB2853 (Roos), which codified certain provisions of the previous "guidelines" and required compliance by October 1, 1981, with either the previous 1977 guidelines or the provisions of AB2853; and

WHEREAS, on July 3, 1979, City Council, approved an agreement to prepare an amendment to the Housing Element and an environmental impact report; and a draft Element/EIR was submitted to the State Department of Housing and Community Development on October 22, 1980; and on April 21, 1981, said Element/EIR were found to be in conformance with State guidelines assuming the Element is adopted by City Council and incorporates by reference the City's "A Study of Underdeveloped Sites and Residential Land Uses in the City of Anaheim" including standards and plans for provision of adequate sites for manufactured housing; and

WHEREAS, the City of Anaheim Planning Commission did hold a public meeting at the Civic Center, 200 South Anaheim Boulevard, Anaheim, California, on May 28, 1981, at 7:00 p.m., with members of the Housing Commission, Housing Element Citizens Advisory Committee and other interested citizens invited to submit testimony regarding the amendment to the Housing Element; and

WHEREAS, the City of Anaheim Planning Commission did hold a public hearing at the Civic Center, 200 South Anaheim Boulevard, Anaheim, California, on June 1, 1981, at 1:30 p.m., notice of said public hearing having been duly given as required by law and in accordance with the provisions of the Anaheim Municipal Code, to hear and consider evidence for and against said Amendment to the Anaheim General Plan and to investigate and make findings and recommendations in connection therewith; and

WHEREAS, said Commission after due inspection and investigation and study made by itself and on its behalf and after due consideration of all evidence and reports offered at said hearing, DOES HEREBY FIND:

1. That evidence was presented addressing the General Plan Amendment and further recommending that certain non-substantive revisions be made to the draft amendment to the Housing Element to properly reflect interim changes since October

ATTEST: _____ 19____

CITY CLERK, CITY OF ANAHEIM, CALIFORNIA

1980 to the status and timing of listed programs; and therefore the need for incorporating these changes in the amendment to the Anaheim General Plan - Housing Element is substantiated.

NOW, THEREFORE, BE IT RESOLVED that Draft Environmental Impact Report No. 244 for the Housing Element of the General Plan, having been considered this date by the Anaheim City Planning Commission and evidence, both written and oral, having been presented to supplement draft EIR No. 244, finds that any significant environmental impacts would be mitigated by the requirement for conformance with established City and State Codes, policies, plans and ordinances, the Planning Commission further finds and recommends to the City Council of the City of Anaheim, that they certify that EIR No. 244 is in conformance with the California Environmental Quality Act and with the City and State EIR Guidelines.

BE IT FURTHER RESOLVED that, pursuant to the foregoing findings, the Anaheim City Planning does hereby adopt and recommend to the City Council of the City of Anaheim adoption of General Plan Amendment No. 146 - Housing Element as follows:

1. That the City Council certify that EIR No. 244 is in compliance with the California Environmental Quality Act and with the City and State EIR Guidelines.
2. That the City Council adopt General Plan Amendment No. 146, an amendment to Anaheim's Housing Element, with the following revisions:
 - A. Incorporation by reference of "A Study of Underdeveloped Sites and Residential Land Uses in the City of Anaheim" noting that sites identified in the Study may be appropriate for manufactured housing assuming compliance with City codes; and
 - B. Nonsubstantive changes to the timing and status of programs as noted in attached exhibits labeled "Programs: Implemented, To Be Implemented, and To Be Studied".
3. That City Council direct staff to notify the State Department of Housing and Community Development of this action for certification of an amendment to the City's adopted Housing Element prior to October 1, 1981.

THE FOREGOING RESOLUTION is signed and approved by me this 1st day of June, 1981.

Harold V. Ghar
CHAIRMAN, ANAHEIM CITY PLANNING COMMISSION

ATTEST:

Edith L. Harris
SECRETARY, ANAHEIM CITY PLANNING COMMISSION

THIS IS A TRUE AND CORRECT COPY OF THE ORIGINAL AS FILED IN THE OFFICE OF THE CLERK OF THE CITY OF ANAHEIM, CALIFORNIA, ON JUNE 1, 1981.

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF ANAHEIM)

I, Edith L. Harris, Secretary of the Anaheim City Planning Commission, do hereby certify that the foregoing resolution was passed and adopted at a meeting of the Anaheim City Planning Commission held on June 1, 1981, at 1:30 p.m., by the following vote of the members thereof:

AYES: COMMISSIONERS: BARNES, BOUAS, BUSHORE, FRY, HERRST, KING, TOLAR
NOES: COMMISSIONERS: NONE
ABSENT: COMMISSIONERS: NONE

IN WITNESS WHEREOF, I have hereunto set my hand this 1st day of June, 1981.

Edith L. Harris
SECRETARY, ANAHEIM CITY PLANNING COMMISSION

RESOLUTION NO. 81R-302

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANAHEIM APPROVING AN AMENDMENT TO THE HOUSING ELEMENT OF THE GENERAL PLAN DESIGNATED AS AMENDMENT NO. 164, EXHIBIT "A."

WHEREAS, the City of Anaheim, pursuant to the recommendations of the Planning Commission of the City of Anaheim, adopted a General Plan for the City of Anaheim; and

WHEREAS, on the 1st day of June, 1981, the City Planning Commission of the City of Anaheim did hold a public hearing to consider an amendment to the Housing Element of the General Plan of the City of Anaheim; and

WHEREAS, at said public hearing, the City Planning Commission did duly adopt its Resolution No. PC81-125 containing a report of its findings, a summary of the evidence presented at said hearing, and recommending that said Amendment to the General Plan Designated as Amendment No. 164 be adopted by the City Council amending the Housing Element of the General Plan in accordance with Exhibit "A" on file with the City herein; and

WHEREAS, upon receipt of said Resolution, summary of evidence, report of findings and recommendations of the City Planning Commission, the City Council did fix the 30th day of June, 1981, as the time, and the City Council Chamber in the Civic Center as the place for a public hearing on said proposed Amendment No. 164 and did give notice thereof in the manner and as provided by law; and

WHEREAS, the City Council did duly hold and conduct such public hearing and did give all persons interested therein an opportunity to be heard, and did receive evidence and reports and did consider the recommendations of the City Planning Commission; and

WHEREAS, the City Council does find and determine that Amendment No. 164 in accordance with Exhibit "A" on file with the City should be approved.

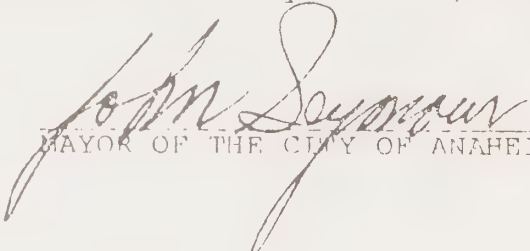
NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Anaheim that Amendment No. 164 to the General Plan amending the Housing Element of the General Plan in accordance with Exhibit "A" on file with the City be, and the same is hereby, approved with the following provisions:

1. Incorporation by reference of "A Study of Underdeveloped Sites and Residential Land Uses in the City of Anaheim" noting that sites identified in the Study may be appropriate for manufactured housing assuming compliance with City codes; and

2. Nonsubstantive changes to the timing and status of programs as noted in attached exhibits labeled "Programs: Implemented, To Be Implemented, and To Be Studied."

BE IT FURTHER RESOLVED that the Planning Director is hereby directed to notify the State Department of Housing and Community Development of this action for certification of an amendment to the City's adopted Housing Element prior to October 1, 1981.

THE FOREGOING RESOLUTION is approved and adopted by the City Council of the City of Anaheim this 30th day of June, 1981.


MAYOR OF THE CITY OF ANAHEIM

ATTEST:

Original Signed By
LINDA D. ROBERTS

CITY CLERK OF THE CITY OF ANAHEIM

JLW:fm

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF ANAHEIM)

I, LINDA D. ROBERTS, City Clerk of the City of Anaheim, do hereby certify that the foregoing Resolution No. 81R-302 was introduced and adopted at a regular meeting provided by law, of the City Council of the City of Anaheim held on the 30th day of June, 1981, by the following vote of the members thereof:

AYES: COUNCIL MEMBERS: Overholt, Kaywood, Roth and Seymour

NOES: COUNCIL MEMBERS: Bay

ABSENT: COUNCIL MEMBERS: None

AND I FURTHER CERTIFY that the Mayor of the City of Anaheim signed said Resolution No. 81R-302 on the 30th day of June, 1981.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Anaheim this 30th day of June, 1981.

Original Signed By
LINDA D. ROBERTS

CITY CLERK OF THE CITY OF ANAHEIM

(SEAL)

I, LINDA D. ROBERTS, City Clerk of the City of Anaheim, do hereby certify that the foregoing is the original of Resolution No. 81R-302 duly passed and adopted by the Anaheim City Council on June 30, 1981.

Original Signed By
LINDA D. ROBERTS

CITY CLERK

THE FOREGOING INSTRUMENT IS A FULL, TRUE AND
CORRECT COPY OF THE ORIGINAL ON FILE IN THIS
OFFICE. ATTEST: *Aug 5* 19 *81*
LINDA D. ROBERTS, CITY CLERK OF THE CITY OF ANAHEIM
BY *Leonard J. N. Sade*
Deputy City Clerk

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Division of Research and Policy Development

921 Tenth Street

Sacramento, CA 95814

(916) 445-4725



July 24, 1981

Mr. William Talley
City Manager
City of Anaheim
P.O. BOX 3222
Anaheim, CA 92803

Dear Mr. Talley:

We have reviewed the City of Anaheim's Housing Element that was adopted by the City Council on June 30, 1981. We note that the adopted element has been amended per our recommendation (copy of previous letter attached) to incorporate by reference the City's report "A Study of Underdeveloped Sites and Residential Land Used in the City of Anaheim." We are pleased to find that the City's adopted Housing Element is in compliance with Government Code Section 65302(c) and the 1977 Housing Element Guidelines.

Again, we congratulate the City on the overall quality of the Housing Element. We note that the level of effort the City intends to meet exceeds the Southern California Association of Governments' three percent "Areawide Housing Opportunity Plan" goals. We offer our encouragement toward the success of the City's ambitious housing program. If you have any questions or if we can be of assistance in the implementation of specific actions, please contact Robert Auman or Maxene Spellman of our staff at (916) 445-4725.

Sincerely,

David Williamson
Supervisor, Review Section

cc: Ronald Thompson, Director
Anaheim City Planning Department
Mark Pisano, Executive Director
Southern California Association of Governments

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INTRODUCTION AND EXECUTIVE SUMMARY

INTRODUCTION

BACKGROUND

The aim of Anaheim's Housing Element is to pinpoint the community's housing needs and ways to meet that need. However, Anaheim is no different than most communities in that the City only can strive to meet a part of its total housing needs. The need is just too large for the community to completely satisfy, although significant progress can be made and has been made by the City. This Element serves to augment and continue the City's past record of success by meeting housing needs in the face of limited resources.

What the Housing Element does is to identify available community resources that can help to meet housing need and to distribute those resources in the most equitable and effective manner. To do that means that the community -- through the Housing Element -- has decided *what* it wants to do to meet housing need and *how* it wants to meet housing need.

A housing element is one of the nine elements which must be included in a general plan, according to California's Planning and Zoning Law. In addition to the mandatory elements, localities also may prepare and implement permissive elements dealing with subjects such as redevelopment, community design and historical preservation. Section 65302(c) of the Government Code defines a housing element in the following terms:

(c) A housing element, to be developed pursuant to regulations established under Section 41134 of the Health and Safety Code, consisting of standards and plans for the improvement of housing and provision of adequate sites for housing. This element of the plan shall make adequate provision for the housing needs of all economic segments of the community. Such element shall consider all aspects of current housing technology, to include provisions for not only site-built housing, but also manufactured housing, including mobilehomes and modular homes.

Anaheim's Housing Element, then, is that part of the General Plan which focuses on *community concerns* such as:

- How many poor quality housing units exist in Anaheim?
- Where are they located?
- What can be done to improve such housing?
- Are there enough sites in Anaheim to satisfy market demand and housing need?
- How many vacant, residential sites exist in Anaheim?
- How many units can be built on those sites?
- Whose needs are being provided for by the existing and new housing supply?
- Does the housing supply fall short of providing all economic segments of Anaheim with decent housing?

HOUSING ELEMENT PLANNING PROCESS

Eight phases were involved in the preparation of the Housing Element. These phases are identified and described below:

- Phase I: The completion of a housing problem statement that included an analysis of four factors: 1) existing housing needs, 2) projected housing needs, 3) market constraints and 4) governmental constraints. This statement and analysis was reviewed and evaluated by the Citizens Advisory Committee which was appointed by the City Council.
- Phase II: The preparation of a background report that presented a synthesis of needs and constraints according to five policy areas as well as existing and other available programs to address the community's housing needs. This background report also was reviewed and evaluated by the Citizens Advisory Committee.
- Phase III: The preparation of a preliminary housing plan (i.e., goals, policies and priorities) and a preliminary housing program (i.e., actions). These two preliminary documents were reviewed and modified by the Citizens Advisory Committee.
- Phase IV: The completion of a *Draft* Housing Element based upon the input and guidance of the Citizens Advisory Committee. This document, in turn, was submitted to City staff for their review and comment.

- Phase V: The preparation of an Environmental Impact Report which described the probable individual and cumulative impacts resulting from adoption and implementation of the Housing Element (as revised).
- Phase VI: The presentation of the Draft Housing Element before the Planning Commission.
- Phase VII: The presentation of the Draft Housing Element before the City Council.
- Phase VIII: The submittal of the Draft Housing Element to the State Department of Housing and Community Development for its review and comment.

COMMUNITY PARTICIPATION

A housing element is to be prepared through a process that incorporates effective public involvement. Among the participation techniques suggested by the State Housing Element Guidelines are the following:

- Informal working sessions
- Public hearings
- Advisory committees
- Public information programs

To assure effective community participation, the City Council appointed a Citizens Advisory Committee. That committee helped to shape the content and recommendations of the Housing Element. In Appendix A, the Advisory Committee's role and function are explained more fully.

EXECUTIVE SUMMARY

In addition to the Introduction and Executive Summary (Section I) and summary description of the State Housing Element Guidelines (Section II), the City of Anaheim Housing Element consists of the following parts:

- An analysis of housing problems in the form of data on community housing needs and constraints (Section III).
- A statement of housing goals, policies and priorities (Section IV).
- A housing program which describes planned actions to address unmet housing needs (Section V).
- A statement indicating how the Housing Element, as revised, is consistent with other Elements of the Anaheim General Plan (Section VI).
- A statement of steps taken or to be taken to achieve the objectives of intergovernmental coordination (Section VII).
- A description of how the 1980 Housing Element will be revised and updated as need dictates (Section VIII).
- A description of the community public participation process (Appendix A).
- Estimates of units suitable for rehabilitation (Appendix B).

AN ANALYSIS OF THE HOUSING PROBLEM

Section III of the Housing Element contains an analysis of Anaheim's housing problems. That analysis includes two factors -- 1) housing needs and 2) constraints toward meeting needs.

Housing needs are defined as consisting of seven factors:

- The lack of housing affordable to the City's lower income households.
- The number of households who lack adequate space and privacy (i.e., overcrowded).
- The absence of standard housing which is measured by the number of housing units which are in need of either rehabilitation or replacement.
- The number of households who may experience special housing needs -- such as elderly and handicapped persons.

- The number of additional lower income households who should have housing opportunities within the City of Anaheim (i.e., fair-share need).
- The number of additional households expected-to-reside in the community who can afford market-rate housing (i.e., projected market-rate housing need).
- The need for new housing experienced by future lower income households (i.e., projected nonmarket-rate housing need).

The analysis of housing constraints consists of two factors:

- Market constraints (i.e., housing cost trends, vacancy rates).
- Governmental constraints (i.e., land use controls, processing, fees).

Information on housing needs and constraints is summarized below:

Affordability

Most of the used and new for-sale housing in the City is beyond the means of renter lower income households. An estimated 12,000 to 13,000 lower income households expend 25% or more of gross income for housing payments. On a percentage basis, this number can be expressed as indicating that at least 15.5% to 16.9% of all the City's households do not now have affordable housing. Of all these households, about two-thirds are renters and the remaining one-third are owners.

Overcrowded Households

In 1970 an estimated 3,148 households, or 5.9% of all the City's households, were overcrowded (i.e., 1.01 or more persons per room). Between 1970 and 1974, overcrowding rates had declined for Orange County as a whole. This same trend of declining overcrowding rates may have occurred during the 1974-79 period in the County and in the City of Anaheim as well. If this occurred, the City probably did not have any increase in the number of overcrowded households since 1970. However, it should be noted that overcrowding at the neighborhood or block levels, which are of significance in some areas of the City, has not been analyzed.

Rehabilitation/Replacement

Based on the findings of several recent housing condition surveys, there are an estimated 6,440 substandard housing units in the community's inventory that are considered too be "suitable for rehabilitaton." About 25% of the units which are suitable for rehabilitation are found in the Central City, downtown area. Moreover, about 70% of all such units are located in the four CDBG target areas (see Exhibit V-1). The majority of housing units suitable for rehabilitation are within multi-family structures. More detailed data on rehabilitation needs are presented in Section III and in Appendix B.

Besides an estimate of housing units "needing rehabilitation," a housing element must also include an estimate of dwellings "needing replacement." With respect to units "needing replacement," the City's Housing Assistance Plan provides the most recent estimate of such dwellings. According to the Housing Assistance Plan, there are an estimated 1,041 substandard housing units which are unsuitable for rehabilitation. This number of dwellings represents an estimate of housing units "needing replacement."

Special Needs

The City's Housing Assistance Plan estimates that there are 852 lower income large family households in need of housing assistance. According to the 1976 Special Census, an estimated 11.2% (N=7,802) of all the City's households are of minority heritage. In regard to elderly households, almost 7% of Anaheim's population is 65 year of age or older.

With regard to handicapped persons, the 1976 Special Census of Anaheim identified households with disabled persons. This information can serve as an indicator of the handicapped population. Altogether, some 3,149 such households were identified in 1976.

Special needs households also include persons displaced as a result of public activities. The City's Housing Assistance Plan estimates that 300 households (100 owners and 200 renters) are expected to be displaced over the three-year time span from July 1, 1979 to June 30, 1982.

Fair Share Allocation

The SCAG Draft Regional Housing Element (April 1979) contains a "fair share" need estimate for the City of Anaheim of 432 households. That estimate, it should be noted, suggests the number of additional lower income households who live within the region who should have housing opportunities in the Anaheim community.*

Market-Rate Housing Needs*

Between 1979 and 1985 the City is projected to have an employment induced demand for an additional 11,700 housing units. Most of this housing would be occupied by households who could afford market-rate housing.

Nonmarket-Rate Housing Needs*

For projection purposes, a range of 20% to 35% is selected as a basis for estimating the nonmarket-rate share of total employment induced demand (N=11,700). These percentages translate to 2,350 to 4,100 lower income households who would need nonmarket-rate housing because of employment opportunities generated in the Anaheim community.

Market Constraints

Most of the for-sale housing available in the City of Anaheim is out of the economic reach of lower income households. The rate of home price increases in the 1970s has been greater than income gains on the order of 2 to 1 and, perhaps, as high as 2.5 to 1.

*For greater details on these topics see Housing Element, Background Paper #1: Housing Needs and Constraints (October 1979).

Since 1972, the cost of land plus site improvements has been the single-most important factor contributing to the escalation of home prices. This trend reflects the scarcity of available, developable land in relationship to employment and population growth induced demand. Financing cost trends are also creating barriers to the continued affordability of housing. For instance, mortgage interest rates are now at high levels.

Governmental Constraints

The City of Anaheim has land use policies which offer a wide range of housing opportunity and choice. Processing time and fees are reasonable and pose no serious impediments to meeting housing needs. The most significant governmental constraint was in connection with Article XXXIV of the California Constitution which requires a public referendum for certain types of low income housing. An Article XXXIV local referendum was approved by Anaheim voters in June 1980, thereby making certain State and Federal programs available to the City.

HOUSING GOALS, POLICIES AND PRIORITIES

Section 6450 of the Housing Element Guidelines states that a housing element must include:

A statement of the goals, policies and priorities, which together provide the framework around which the local housing plans are developed and implemented. In adopting local goals, policies and priorities, the locality expresses a commitment to act in accordance with the standards they provide.

Table I-1 lists the recommended goals, policies and priorities according to the five policy areas established by the State.

Table 1-1

SUMMARY OF GOALS, POLICIES AND PRIORITIES

POLICY AREA	HOUSING PLAN		
	GOALS	POLICIES	PRIORITIES
HOUSING AND NEIGHBORHOOD PRESERVATION	<ul style="list-style-type: none"> • To enhance the quality of existing neighborhoods, protect environmental resources and prevent urban blight. • To preserve the quality of Anaheim's ownership and rental housing stock by maintenance, rehabilitation and replacement actions. • To preserve the quality of existing neighborhoods by the adequate provision of services and facilities and the completion of capital improvements throughout the community, where necessary. 	<ul style="list-style-type: none"> • To achieve housing and neighborhood preservation through all practical and appropriate financing tools, including local, State and Federal programs. • To achieve housing and neighborhood preservation in selected areas of the community within the time frame stipulated by the community development block grant program and using all appropriate and available financial resources. • To encourage property owner participation and volunteer efforts in the achievement of housing and neighborhood preservation. • To limit general fund resources expended for neighborhood preservation to that already incorporated in the City's "capital improvements program." 	<ul style="list-style-type: none"> • To emphasize housing and neighborhood preservation activities within Anaheim's four CDBG Target Areas. • To complete the guidelines necessary for holding a public referendum on the question of whether the City's Housing Authority should acquire and own property for the purpose of meeting residential rehabilitation needs. (Already implemented by recent action of the City Council.)
STANDARDS AND PLANS FOR ADEQUATE HOUSING SITES	<ul style="list-style-type: none"> • To expand the land available for addressing housing needs by a variety of actions including revision to present plans and standards, such as the Land Use Element and Zoning Ordinance. 	<ul style="list-style-type: none"> • To establish methods of enhancing land availability within the framework of the City's Land Use Element, Zoning Ordinance, Housing Assistance Plan and community development block grant program. • To continue to seek financial resources that would enable the City to acquire and then re-sell to the private sector sites which are suitable for the development of housing to address the needs of low and moderate income households. 	<ul style="list-style-type: none"> • To place emphasis on those revisions of the Land Use Element and Zoning Ordinance which would increase the availability of land to meet the needs of Anaheim's lower and moderate income households. • To place emphasis on the acquisition of land on a scattered site basis within the City's two Neighborhood Strategy Areas (i.e., Central City and Patrick Henry) and the two Target Areas (i.e., Citron and South Anaheim). (Such lands then will be re-sold to the private sector for development of housing suited to the needs of lower and moderate income households.)

HOUSING PLAN

POLICY AREA	GOALS	POLICIES	PRIORITIES
ADEQUATE PRO- VISION FOR HOUSING NEEDS	<ul style="list-style-type: none"> • To continue to make adequate provision for housing needs in proportion to existing and future needs. • To continue to seek all available and appropriate financial and housing assistance resources to meet the community's housing needs. 	<ul style="list-style-type: none"> • To continue to address housing needs through rehabilitation, housing assistance and new construction, as appropriate. • To continue to expand upon the financial resources that the City may utilize for purposes of making adequate provision for all housing needs. • To consider the conversion of apartments to condominiums as presenting opportunities for creating affordable home ownership housing and as a means of regulating escalating rents if two problems can be mitigated -- the displacement of renter households and the loss of rental stock. 	<ul style="list-style-type: none"> • To place emphasis on the housing needs of "first-time" buyers by offering all feasible programs. • To place emphasis on reducing the pressures for escalating rents, especially through new construction activities. • To complete the guidelines necessary for holding a public referendum on the question of whether the City Housing Authority should own and operate new rental housing. (Already implemented by recent action of the City Council.)
1-10 PRESERVATION OF AFFORDABLE HOUSING	<ul style="list-style-type: none"> • To maintain the existing stock of affordable housing in the Anaheim community. • To establish new, affordable housing including both home ownership and rental housing units. 	<ul style="list-style-type: none"> • To preserve the affordability of housing that is aided by public financing tools. • To implement controls that assure continued affordability when the City permits the conversion of apartments to condominiums. • To assure the affordability of the existing rental housing by facilitating the construction of new apartment developments. 	<ul style="list-style-type: none"> • To place emphasis on assuring continued affordability of existing, rehabilitated and newly constructed rental housing.
ACCESSIBLE HOUSING	<ul style="list-style-type: none"> • To assure fair housing opportunities for all residents of Anaheim, including families and households with children. • To provide for the housing needs of "special needs" households. • To provide housing opportunities for persons who are employed within the City of Anaheim. 	<ul style="list-style-type: none"> • To provide financial support for fair housing activities through the City's CDBG funds. • To provide financial support that would help to meet the needs of all heads of households and handicapped persons through the City's CDBG funds. 	<ul style="list-style-type: none"> • [No priorities have been established. The City will attempt to allocate resources in proportion to evident need.]

HOUSING PROGRAM

Proposed actions to address unmet housing needs are to be organized according to three categories:

- Housing Programs in the Process of Being Implemented
- Housing Programs to be Implemented
- Housing Programs in the Developmental State (i.e., requiring further study)

Table I-2 describes the Housing Program according to the three levels of proposed actions. That Housing Program was developed following an extensive period of community participation by the Citizens Advisory Committee.

Altogether, some 51 program actions are included in Table I-2. Most of the actions (32 out of 51) are already being implemented by the City. Of the remaining balance of 20 actions, the Housing Element recommends that 16 should be implemented in the future and that four should be studied further. Some of the programs which are listed under the column heading of "to be implemented" have actually been implemented during the period of late 1980 and mid-1981. These latter programs are denoted by an asterisk in Table I-2.

TABLE I-2
STATUS OF HOUSING PROGRAMS

POLICY AREAS, ACTIONS, & NEEDS	PROGRAMS IN THE PROCESS OF BEING IMPLEMENTED	PROGRAMS TO BE IMPLEMENTED	PROGRAMS WHICH NEED FURTHER STUDY
<p>HOUSING AND NEIGHBORHOOD PRESERVATION</p> <p>MAINTENANCE</p> <ul style="list-style-type: none"> • About 15.5% of all housing units show inadequate paint • Abandoned motor vehicles • Rubbish accumulation <p>REHABILITATION</p> <ul style="list-style-type: none"> • 7,500 sub-standard units • 6,440 suitable for rehabilitation 	<ol style="list-style-type: none"> 1. Clean-Up Campaign 2. Youth Paint and Pick-Up 3. Code Enforcement 4. Rebates 5. Deferred Loans 6. Housing Repair 7. Low Interest Loans 8. Multi-family Rehabilitation 9. California Housing Finance Agency Loan Program 10. Moderate Rehabilitation 11. Section 312 Rehabilitation Loans 12. Acquisition with Rehabilitation 	<ol style="list-style-type: none"> 1. Substantial Rehabilitation 2. Acquisition with Rehabilitation (public housing) 3. Residential Rehabilitation (Marks-Foran) 	

*Already implemented in late 1980 to mid-1991.

STATUS OF HOUSING PROGRAMS

POLICY AREAS, ACTIONS, & NEEDS	PROGRAMS IN THE PROCESS OF BEING IMPLEMENTED	PROGRAMS TO BE IMPLEMENTED	PROGRAMS WHICH NEED FURTHER STUDY
REPLACEMENT <ul style="list-style-type: none"> • 1,041 units needing replacement 	13. Acquisition of Sub-standard housing and replacement with new housing		
SERVICES/FACILITIES <ul style="list-style-type: none"> • Alleys • Parks • Street Lights • Community Centers 	14. Neighborhood Improvements		
STANDARDS AND PLANS FOR ADEQUATE SITES			
SITE AVAILABILITY <ul style="list-style-type: none"> • 2,350 to 4,100 new units projected for lower income households • 130 to 225 acres for new units 	1. Land Acquisition - Vacant Sites 2. Land Acquisition - Infill and New Construction	1. Pre-Selected Sites* 2. Site Inventories*	
PLANS & STANDARDS <ul style="list-style-type: none"> • Expanding range of housing • Use of existing housing 	3. Land Use Element & Zoning Ordinance	3. Implementation of AB1151* 4. Second Units 5. Residential/Commercial Development	

STATUS OF HOUSING PROGRAMS

POLICY AREAS, ACTIONS, & NEEDS	PROGRAMS IN THE PROCESS OF BEING IMPLEMENTED	PROGRAMS TO BE IMPLEMENTED	PROGRAMS WHICH NEED FURTHER STUDY
<p>ADEQUATE PROVISION FOR HOUSING NEEDS</p> <p>EXISTING HOUSING</p> <ul style="list-style-type: none"> • 12,000-13,000 lower income households paying 25% or more • Escalating Rents • "First-Time" Buyers <p>NEW HOUSING</p> <ul style="list-style-type: none"> • Fair Share estimate of 412 households • Housing needs caused by employment growth • New construction to meet replacement needs <p>PRESERVATION OF AFFORDABLE HOUSING</p> <p>RETAIN STOCK OF AFFORDABLE HOUSING</p> <p>REDUCE PRESSURES FOR ESCALATING RENTS</p> <p>ACCESSIBLE HOUSING</p> <p>REDUCE EFFECTS OF DISCRIMINATION</p> <p>MEET SPECIAL NEEDS</p>	<ol style="list-style-type: none"> 1. Section 8 Existing Housing 2. California Housing Finance Agency Loan Program 3. Rent Stabilization 4. Section 235 Home Ownership 5. Section 8 New Construction 6. Affordable Housing Incentives 1. Multi-Family Rehabilitation 2. Rebates 3. Deferred Loans 4. Rent Stabilization 1. Fair Housing 2. Spatial Deconcentration 3. Special Counseling 4. Barrier Removal 	<ol style="list-style-type: none"> 1. Condominium Conversion Guidelines* 2. CHFA Direct Lending 3. Section 202 Elderly Housing* 4. Cooperative Housing 5. Shared Equity* 6. Graduated Payment Mortgage* 7. Density Bonus* 8. Public Housing 1. Condominium Conversion Guidelines* 	<ol style="list-style-type: none"> 1. Monitor Rent Stabilization/Rent Control Policies of Other Jurisdictions 2. SB99 Redevelopment Construction Loans 1. Fair Housing for Children

The material in the following pages summarizes the recommendations of the Housing Element in regard to those programs which have been placed in the "intend to implement" and "further study" categories.

- Substantial Rehabilitation

The City has received funding assistance for 114 units for fiscal year 1979-80 under the provisions of the Section 8 *Moderate* Rehabilitation Program. This program assures the availability of *housing assistance* funds to keep rentals at affordable costs after the dwellings are rehabilitated. This assistance may be provided not only in existing standard housing, but also in housing which must have moderate or substantial levels of rehabilitation. In effect, the recommendation of the Housing Element is to expand this program effort by including not only units which need moderate levels of rehabilitation but also those that require substantial improvements.

- Acquisition with Rehabilitation (Public Housing)

This method of preserving the housing stock involves public ownership of rental property which is rehabilitated prior to its occupancy by eligible lower income families. In this instance, the City's Housing Authority would own the property. When public entities such as a housing authority become involved in acquisition and ownership of housing for low income persons, the California State Constitution (i.e., Article XXXIV) requires a referendum. The City Council authorized an Article XXXIV referendum which subsequently received voter approval in June 1980.

- Pre-Selected Sites

The concept suggests that the City identify some privately owned land that may be eligible for housing assistance through the provisions of one or more Federally-aided programs. If approved, such sites have a higher probability of obtaining housing assistance funding approval. The Housing Element recommends that the City test the workability of this idea in its future revisions of the Community Development Block Grant Program and Housing Assistance Plan.

- Site Inventories

The Housing Element recommends that inventories be conducted for the purpose of identifying sites that may have potential for the production of affordable housing. Such inventories would include "by-passed" parcels, abandoned or otherwise vacant service station sites and surplus public land.

- Implementation of AB1151

On October 1, 1979 AB1151 became effective as urgency legislation. That bill embodies several changes to California housing law including the granting of density bonuses and/or other incentives for the production of low- and moderate-income housing. The City intends to investigate alternative methods of developing a program to implement AB1151. (The density bonus and other incentives are explained in Section V, page V-16.)

- "Second Units"

"Second units" are defined as any dwelling unit found on a lot in a single-family neighborhood in addition to the main residence. The Housing Element recommends that the City initiate actions to implement this idea. More specifically, the City Council may desire that certain aspects of second units be analyzed in more complete detail. These may include, for example, locational criteria, development standards, and density impacts.

- Residential/Commercial Development

This concept refers to the development of commercial and residential uses within the same building. This idea may present opportunities for reducing the cost of housing and enlarging the supply of land for housing in otherwise exclusive commercial zones. Although the Housing Element recommends that "joint residential/commercial development" is something the City intends to implement, some additional research is warranted for purposes of formulating development standards and criteria.

- Condominium Conversion Regulations

It is the City's policy to consider the conversion of apartments to condominiums as an opportunity to create affordable *home-ownership* housing and as a means of stabilizing rising rents. The Housing Element states that condominium conversions should be permitted if two problems associated with the conversion process can be mitigated -- the displacement of renter households and the loss of rental stock. In addition, the Housing Element states that the City, if warranted, would revise the regulatory process pertaining to the conversion of apartments to condominiums.

- California Housing Finance Agency Direct Lending

The Housing Element recommends that this program augment present activities directed at providing for the housing needs of all economic segments. This direct lending program makes below market-rate construction loans of up to 95% for profit-motivated developers, and up to 100% for nonprofit and public agencies for development of multi-family, mixed income projects and housing for the elderly. Each project must contain both units offered at the market rate and those assisted through the Section 8 program.

- Section 202 Elderly Housing

This program provides direct Federal construction loans for elderly and handicapped projects or these loans may be used only to finance the construction of substantial rehabilitation of housing that will meet the requirements of the Section 8 housing assistance payments program. The advantage of this program is interim financing at rates below the current market interest rate levels. The City has a three year goal of 250 rental units to be assisted under the provisions of the Section 202 program.

- Cooperative Housing

Encouragement of cooperative housing is another program that is recommended by the Housing Element and the Department of Housing and Urban Development insures project mortgages on cooperative housing under Section 213 and Section 221(d)(3) of the National Housing Act. The residents of a cooperative housing development may obtain assistance through the provisions of the Section 8 and Section 235 programs, thereby allowing for the provision of affordable housing.

- Shared Equity

This program primarily involves the sharing of equity in the ownership of a home. That shared equity is in the form of partial contribution toward the down payment requirements in the purchase of a single-family dwelling. The City is considering participation in the shared equity concept through available State programs (i.e., AB333) and the Housing Element recommends that the idea be promoted among major industrial firms for the benefit of their existing and future employees.

- Graduated Payment Mortgage

Another method of fostering homeownership that the City may encourage is the graduated payment mortgage (GMP) plan. Under a GMP plan the prospective homeowner, in effect, borrows extra money during the early years of the mortgage which is used to reduce immediate monthly payments. This additional loan is then added to the outstanding mortgage balance and is repaid by increasing payments made in later years.

- Density Bonus

As explained under the category of "adequate sites," the City intends to establish a program to implement AB1151. One aim of that program is to enlarge the City actions which contribute to the adequate provision of housing. One method of implementing that bill is to establish a provision for density bonuses. Such bonuses could be implemented on a project basis and in conjunction with other program actions, such as the affordable housing incentives program.

- Public Housing (New Construction)

This program involves the actual ownership of rental, residential property by the Anaheim Housing Authority. Before such new housing can be developed, however, a local referendum is required. The Housing Element recommends that this program be placed in the "intend to implement" category subject to the following limitations: 1) restriction on the number of units to be built within designated areas; 2) development of new units on scattered sites; and 3) compatibility of new development with existing neighborhood environments. *The City Council recently authorized actions to include the City of Anaheim with the County of Orange referendum measure to be held June 1980 (voter approval was obtained).*

- Condominium Conversions

At the present time the City is implementing several programs which aim to assure that new or rehabilitated housing for low and moderate income families is continually affordable. To augment these efforts, the revisions to the condominium conversion regulatory process described earlier also will address the issue of preserving affordable housing through resale controls and/or monthly rent limitations.

- Residential Rehabilitation (Marks-Foran)

The Housing Element recommends that this program be considered in greater detail in the future. Under the provisions of this program, cities, counties, housing authorities and redevelopment agencies are authorized to issue tax exempt revenue bonds to finance residential rehabilitation and new construction. Decisions by the City on whether to implement this program must await the completion of further study. For instance, Congressional actions that may impede the future use of tax exempt revenue bonds must be monitored.

- Monitoring Rent Stabilization/Rent Control Policies

Unlike the City's rent stabilization policy [which affects only those units which the City has assisted in some form], rent control measures usually include all privately owned rental housing units. It is still too soon to make a decision on whether rent control should be utilized in the City of Anaheim. Consequently, the Housing Element recommends that the City monitor the impacts and effects of rental control ordinances as well as other rent stabilization policies which are being implemented elsewhere in the State of California.

- SB 99 Redevelopment Construction Loans

This bill empowers redevelopment agencies to issue revenue bonds for purposes of financing residential construction and mortgage loans. Typically, these loans are at interest rates below those prevailing in the marketplace. The provisions of this bill may be used to assist in the construction of housing for low and moderate-income households. The Housing Element states that the SB 99 approach is now being seriously considered and analyzed by the Redevelopment Agency and City Council. However, Congressional actions must be closely monitored since legislation may be enacted that would render revenue bond programs practically infeasible.

- Fair Housing for Children

The Housing Element recommends that various alternatives should be studied further in an effort to determine practical methods for making housing accessible to families with children. An evaluation of appropriate alternatives together with any changes in State law should be presented to the Planning Commission and City Council.

INTERNAL CONSISTENCY

Section 6454 of the Housing Element Guidelines states that when a housing element is revised to conform to the Guidelines adopted in November 1977, the other elements of the general plan should be examined to assure internal consistency. Consistency among the general plan elements is achieved if they represent an integrated set of policies.

Section VI describes the relationship between the City's Existing General Plan Elements and the Housing Element, as revised. A description is given of how the various goals, policies, objectives and standards included in the other eight mandatory elements serve to meet the intent and purpose of the Housing Element. In addition, those recommendations of the Housing Element which will require coordination with the Land Use Element are noted.

INTERGOVERNMENTAL COORDINATION

Section 6470 encourages the practice of intergovernmental coordination among localities within a general housing market area. Among the methods mentioned for achieving intergovernmental coordination are development of a fair share allocation plan, regional or sub-regional planning approaches and review of housing elements by neighboring jurisdictions and the Council of Governments.

With regard to intergovernmental coordination, the Housing Element includes the "fair share" need estimate developed by the Southern California Association of Governments (SCAG). In addition, a description is provided of how the Housing Element is related to regional (i.e., SCAG) and sub-regional (i.e., County of Orange) housing strategies and programs. Moreover, as stated in Section VII, the City intends to provide copies of the Housing Element to SCAG, County of Orange and contiguous cities.

UPDATE, REVIEW AND REVISION PROCESS

Section 6472 of the Housing Element Guidelines states that "*...periodic review and appropriate revision of the local housing element is essential.*" The Guidelines also encourage the evaluation of local housing programs. Section VIII of the Housing Element explains how the City may revise, on a regular basis, the Housing Problem Statement (i.e., Section III of this document). In addition, a description is presented of various methods and techniques that the City may use to evaluate the outcome of its housing program.

PUBLIC PARTICIPATION PROCESS

In accordance with the Guidelines, the Housing Element was prepared through a process that provided for effective public participation. They key component of the public participation process was establishment of a Citizen's Advisory Committee. That Committee had significant

input on the recommendations of the Housing Element. That public participation process is explained in greater detail in Appendix A.



HOUSING ELEMENT GUIDELINES

DEFINITION OF A HOUSING ELEMENT

Each city and county in California is required to adopt a *General Plan* for the purpose of guiding the physical development of the community. A General Plan must consist of nine parts, or *elements*, as they are called.

- Land Use Element
- Circulation Element
- *Housing Element*
- Open Space Element
- Conservation Element
- Scenic Highways Element
- Noise Element
- Seismic Safety Element
- Safety Element

A *housing element* must consist of standards and plans for: 1) the improvement of housing, 2) the provision of adequate sites for housing and 3) the adequate provision for the housing needs of all economic segments of the community.

The Housing Element, as revised, is especially related to two components of the City's Community Development Block Grant Program: 1) Community Development Plan and 2) Housing Assistance Plan. Many of the programs/actions recommended by the Housing Element are dependent upon financing from the City's Community Development Block Grant Program. The interrelationship between Housing Element recommended actions and CDBG financing are outlined by Exhibit II-1. Similarly, many of the programs/actions recommended by the Housing Element to make adequate provision for housing needs also are included in or derived from the City's Housing Assistance Plan (refer to Exhibit II-1). Existing land use/development guidelines and regulations also have an interrelationship to a Housing Element. Those interrelationships are depicted by Exhibit II-1.

The State HEG also suggest an analysis of the market constraints which affect the production of housing and of those public actions which constrain the maintenance, improvement or development of housing (Sections 6444 and 6446).

HOUSING PLAN

Once needs and constraints have been analyzed, the Guidelines state that a course of action to satisfy unmet need must be developed.

According to the State HEG, a local housing element must include:

A statement of goals, policies, and priorities, which together provide the framework around which the local housing plans are developed and implemented. In adopting local goals, policies and priorities, the locality expresses a commitment to act in accordance with the standards they provide. (Section 6450[a])

HOUSING PROGRAM

Section 6450(b) of the HEG states that housing elements must include

"A description of those plans which the locality is in the process of implementing or intends to implement in furthering the goals, policies, and priorities it has established.

INTERNAL CONSISTENCY

Section 6464 of the Housing Element Guidelines states that internal consistency among General Plan elements is required. Consequently, when a community revises the housing element of its General Plan, it also should examine the other elements to assure that the General Plan comprises an integrated, internally consistent set of policies.

**POLICY AREAS
ACTIONS & PROGRAMS**

FINANCING

**HOUSING
ASSISTANCE**

**LAND USE/DEVELOPMENT
GUIDELINES & REGULATIONS**

**STANDARDS AND PLANS
FOR ADEQUATE SITES**

SITE AVAILABILITY

- Land Acquisition -- Vacant Sites
- Land Acquisition -- Infill & New Construction
- Pre-selected Sites
- Site Inventories

Community Development Block Grants

Community Development Block Grants

Section 235

Section 8

Land Use Element & Zoning Ordinance

PLANS & STANDARDS

- Land Use Element & Zoning Ordinance
- Implementation of AB1151
- "Second Units"
- Residential/Commercial Development

Current Guidelines & Regulations

Modifications to Present Standards

Modifications to Present Standards

Modifications to Present Standards

**ADEQUATE PROVISION
FOR HOUSING NEEDS
-- EXISTING HOUSING**

- Rental
- Ownership
- Condominium Conversions

California Housing Finance Agency

California Housing Finance Agency
Community Development Block Grants

Section 8

Rent Stabilization

Section 8

Guidelines & Ordinance

-- NEW HOUSING

- Rental -- Elderly & Family

Community Development Block Grants
Section 202
California Housing Finance Agency --
Direct Lending
Public Housing
SB99 Redevelopment Construction Loans

Section 8

Affordable Housing Incentives
AB1151
Density Bonus

- Ownership

Community Development Block Grants
Cooperative Housing
Shared Equity
Graduated Payment Mortgages

Section 235

Affordable Housing Incentives
AB1151
Density Bonus

	FINANCING	HOUSING ASSISTANCE	LAND USE/DEVELOPMENT GUIDELINES & REGULATIONS
PRESERVATION OF AFFORDABLE HOUSING			
• Rebates	Community Development Block Grants		
• Deferred Loans	Community Development Block Grants		
• Multi-family Rehabilitation	Community Development Block Grants	Section 8	
• Condominium Conversions	California Housing Finance Agency Community Development Block Grants	Section 8	Guidelines & Regulations
• Rent Stabilization			Guidelines & Regulations
ACCESSIBLE HOUSING			
• Fair Housing	Community Development Block Grants		
• Special Counseling	Community Development Block Grants		
• Barrier Removal	Community Development Block Grants	Section 8	
• Spatial Deconcentration	Community Development Block Grants	Section 8	
• Fair Housing for Children			Guidelines & Regulations

CONTENTS OF A HOUSING ELEMENT

A housing element must be prepared according to the Housing Element Guidelines (HEG) that are adopted by the California Department of Housing and Community Development. That Department adopted a set of Guidelines on November 17, 1977 which *spell out what must be included in a housing element*. According to the Guidelines, there are seven parts to a housing element as follows:

- Community Participation
- Housing Problem
- Housing Plan
- Housing Program
- Internal Consistency
- Intergovernmental Coordination
- Review, Update and Revision

Each of the parts of a housing element are explained in the following paragraphs.

CITIZEN PARTICIPATION

According to the Guidelines, a housing element is to be prepared through a process that provides for effective public participation. During the course of preparing Anaheim's Housing Element, various methods were used to provide for adequate public participation and they are fully described in Appendix A.

HOUSING PROBLEM

The "content requirements" of local housing elements include "...an evaluation of the housing problem including an analysis of the capacity of the existing housing supply to provide all economic segments of the community with decent housing" (Section 6416[a]). Furthermore, the State HEG state that: "*Housing needs exist to the extent that the existing housing supply falls short of providing all economic segments of the community with decent housing*" (Section 6438 - emphasis added).

**EXHIBIT II-1
METHOD OF PROGRAM ACHIEVEMENT**

POLICY AREAS ACTIONS & PROGRAMS	FINANCING	HOUSING ASSISTANCE	LAND USE/DEVELOPMENT GUIDELINES & REGULATIONS
HOUSING & NEIGHBORHOOD PRESERVATION			
MAINTENANCE			
• Clean-up Campaigns	Community Development Block Grants		
• Youth Paint & Fix-up	Community Development Block Grants & Neighborhood Youth Corps Funds		
• Code Enforcement	Community Development Block Grants		City of Anaheim Housing Code
REHABILITATION			
• Low Interest Loans (Security Pacific & Crocker Bank)	Community Development Block Grants (plus private financing)		
• Multi-family Rehabilitation	Community Development Block Grants	Section 8	
• California Housing Finance Agency Loan Program	Community Development Block Grants CHFA Revenue Bond proceeds		
• Acquisition/Rehabilitation	Community Development Block Grants		
• Rebates	Community Development Block Grants		
• Deferred Loans	Community Development Block Grants		
• Housing Repair	Community Development Block Grants		
• Rehabilitation Loans	Section 312		
• Moderate Rehabilitation		Section 8	
• Substantial Rehabilitation		Section 8	
• Residential Rehabilitation	Marks-Foran Revenue Bonds		
• Acquisition with Rehabilitation	Public Housing		
REPLACEMENT			
• Acquisition/Replacement	Community Development Block Grants		
SERVICES/FACILITIES			
• Neighborhood Improvements	Redevelopment, Project Alpha Community Development Block Grants General Fund -- Capital Improvements Program		

INTERGOVERNMENTAL COORDINATION

According to the Guidelines, localities should pursue regional or sub-regional approaches for resolving housing problems. In addition, the Guidelines suggest that each community should provide a copy of its housing element to the Council of Governments for its area and to the governing bodies of contiguous local jurisdictions.

REVIEW, UPDATE AND REVISION PROCESS

Section 6472 of the Guidelines indicates that localities should revise the housing element when essential and informally re-evaluate the effectiveness of the housing program.





HOUSING PROBLEM STATEMENT

This section of the Anaheim Housing Element presents information on the housing problems of the community. That information is in the form of a "housing problem statement" which has been prepared in conformance with the Housing Element Guidelines (HEG). Exhibit III-1 depicts the framework for preparing the housing problem statement as well as the topics considered by that statement.

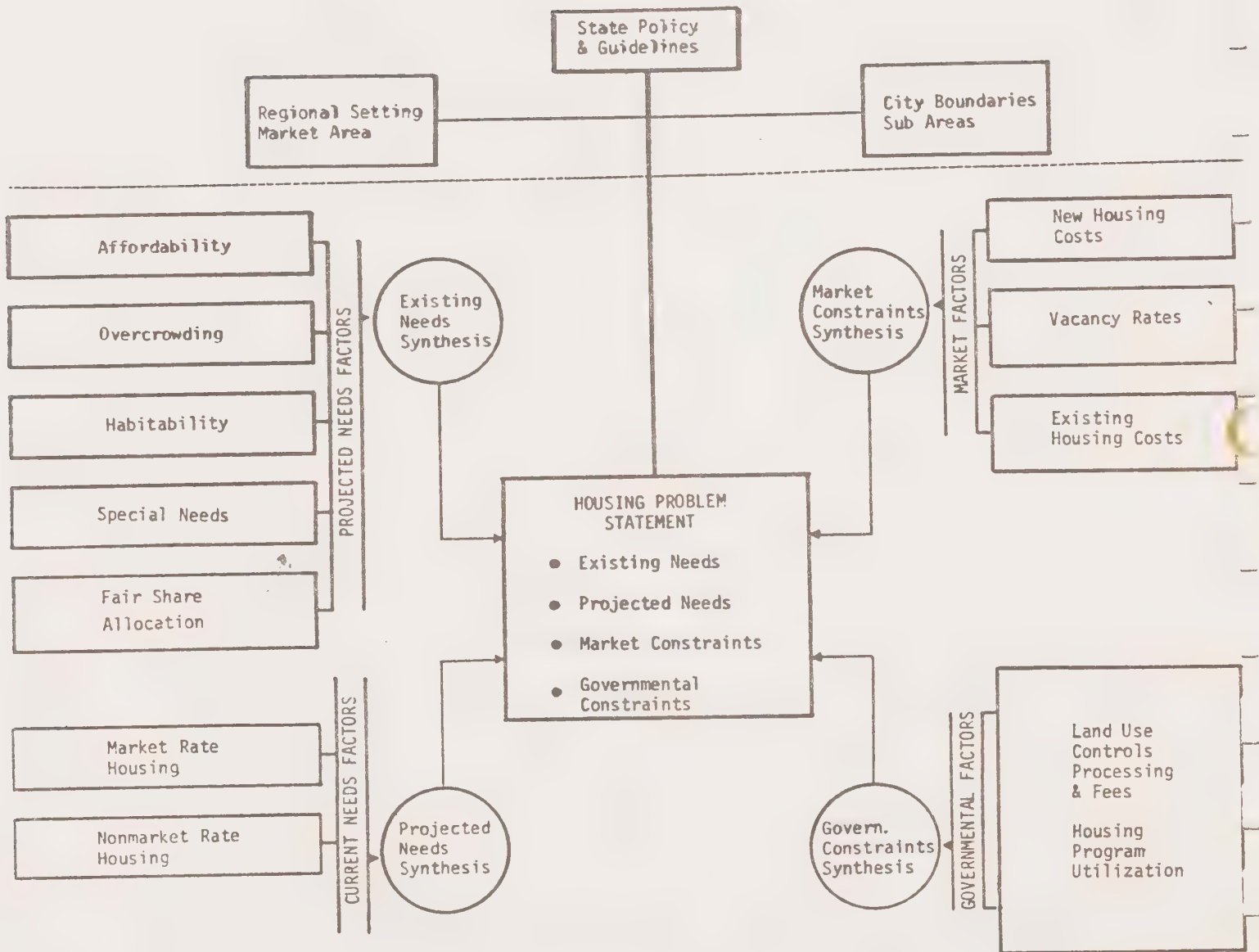
According to the HEG, localities must include in their housing elements *"an evaluation of the housing problem."* As noted by Exhibit III-1, four factors are included in the housing problem analysis: 1) existing needs, 2) projected needs, 3) market constraints and 4) governmental constraints. The Guidelines indicate that when a locality conducts an analysis of the community's housing problem, it must include estimates of existing, or immediate, housing needs as well as the projected, or prospective, need for market-rate housing. The Guidelines also state that the housing problem analysis should include an analysis of market constraints (e.g., housing cost factors) and of governmental constraints (e.g., land use controls). In addition, the housing problem analysis may include an evaluation of local relationships to regional needs and conditions, according to the Guidelines.

Two Background Papers on needs and constraints were prepared during the course of revising Anaheim's Housing Element. Those Background Papers were submitted to the Citizen's Advisory Committee and that committee discussed and evaluated the findings. Although the HEG indicate that parts of a housing problem analysis are not mandatory, the committee recommended that the Housing Element should include all of the topics contained in the Background Papers. That recommendation, the Advisory Committee believed, would result in a comprehensive analysis of Anaheim's needs and problems.

Information from the two Background Papers is summarized in the following pages. Complete details may be found in the following documents which are available from the City:

EXHIBIT III-1

CITY OF ANAHEIM
Revised Housing Element
Phase 1



- City of Anaheim -- Housing Element -- Background Paper #1: Housing Needs and Constraints (October 1979)
- City of Anaheim -- Housing Element -- Background Paper #2: Housing Needs and Governmental Constraints (October 1979)

This section of the Housing Element contains an analysis of data, findings and conclusions on the following housing needs and constraints:

Housing Needs

Regional Setting.....	An analysis of Anaheim's housing needs in relation to those of the Southern California Association of Governments (SCAG) Region, Orange County and north Orange County.
Affordability/Cost Assistance.....	An analysis of the capacity of the housing supply to meet need and an estimate of the number of lower income households living in Anaheim who are spending 25% or more of their income on housing.
Overcrowding.....	An estimate of the number of overcrowded households (i.e., 1.01 or more persons per room).
Habitability.....	An estimate of the number of housing units in need of rehabilitation or replacement.
Special Needs.....	An estimate of the number of families or households who are: a) large families; b) minority households; c) elderly; d) handicapped; and e) displaced as a result of public activities.
Fair Share.....	An estimate of a "fair share" of those households who do not live in Anaheim but whose housing opportunity is affected by decisions of the City.
Projected Housing Need.....	An analysis of future housing needs (market-rate and nonmarket-rate) based on employment and population factors.

Housing Constraints

Housing Market Constraints.....An evaluation of prevailing market constraints with a focus on: a) housing cost trends; b) housing cost factors; c) financing cost trends; and d) vacancy levels and rates in the existing housing stock.

Governmental Constraints.....An assessment of potential governmental constraints including: a) local land use controls which regulate both new and existing housing; b) local processing and fees; and c) housing program utilization encompassing a discussion of Article XXXIV implications, Section 8 (of the National Housing Act) program and the California Housing Finance Agency (CHFA) neighborhood preservation program.

HOUSING NEEDS

REGIONAL SETTING

Section 6448 of the Housing Element Guidelines indicates that:

...localities may find it helpful for program development purposes to include in their housing elements an analysis of the regional context within which the locality operates. This analysis of regional relationships could, for example:

(a) Compare and contrast the local housing, income, population, and employment trends with those of neighboring jurisdictions, the general market area, and of the region.

(b) Assess the impact of regional pressures on the local housing problem and of local pressures on the housing problems of neighboring jurisdictions, the general market area, and of the region.

Information is presented that describes the relationship of the City of Anaheim to the southern California area, Orange County and north Orange County. The analysis indicates that the magnitude of need in the Anaheim community is what would be anticipated given the size of its population and housing stock and the age of housing. However, Anaheim's share of what is termed "fair share" need is relatively low and could result from the fact that the City now has a higher share of low and moderate income households compared to other cities in north Orange County.

Anaheim's Relationship to Housing Needs of the SCAG Region, Orange County and North Orange County

Housing need data are available for the four geographic areas noted above on the following factors:

- Households Needing Assistance
- Fair Share Adjustment (i.e., additional lower income households who should have housing opportunities to reside within specific geographic areas)
- Housing Units Needing Rehabilitation

Table III-1 presents data on these need factors for the southern California area, Orange County, north Orange County and Anaheim's needs as a percentage of those of Orange County and north Orange County. All of these data are as of 1978.

In 1978 the City of Anaheim had about 11,600 households needing assistance or 12.3% of the Orange County total need and 31% of the north Orange County total need. With regard to fair share needs, the City has 1.9% of the Orange County total need and 7.2% of the north Orange County total need. This indicates that Anaheim already has a "fair" number of lower- and moderate-income households in relationship to regional economic and demographic characteristics. With respect to units needing rehabilitation, the City of Anaheim had (as of 1978) about 11% of all such units in Orange County and 26% of the north Orange County need.

The foregoing statistics are merely descriptive of the numerical and percentage shares of Anaheim's needs in relationship to those of Orange County as a whole and of north Orange County.

North Orange County Housing Needs Estimates

Table III-2 contains information in greater detail on the housing needs of the north Orange County geographic area and for each City included within that area.

In north Orange County there are estimated to be some 37,300 "households needing assistance." An estimated 31% of these households reside in the City of Anaheim. This percentage figure can be attributed to the City's size in relationship to the north Orange County region. For example, Anaheim is the place of residence of about 30% of all the households living in north Orange County. Anaheim's percentage share of "fair share" needs is only 7.2% which could result from the fact that the City now has a higher share of low and moderate income households compared to other cities in north Orange County. For example, the "fair

Table III-1
SCAG Housing Need Estimates for the Region,
Orange County, North Orange County and Anaheim
(1978)

	Households Needing Assistance	"Fair Share" Adjustment	Need Adjusted for "Fair Share"***	Units Needing Rehab.
SCAG	690,152	56,300	746,452	526,640
Orange County	93,974	23,153	117,127	20,837
Orange County as % of SCAG	13.6%	41.1%	15.7%	4.0%
Anaheim	11,586	432	12,018	2,290
Anaheim as % of Orange County	12.3%	1.9%	10.3%	11.0%
North Orange County*	37,331	5,973	43,304	8,792
Anaheim as % of North Orange County	31.0%	7.2%	27.8%	26.0%

*North Orange County consists of Anaheim, Brea, Buena Park, Garden Grove, Fullerton, La Habra, Orange, Placentia, Stanton, Villa Park and Yorba Linda.

**Need adjusted for "fair share" is the sum of households needing assistance and "fair share" adjustment. Section 6418 of the Housing Element Guidelines states that "...it is not enough for a locality to measure its responsibilities to the community in terms of the housing needs of its resident population." The Guidelines, in addition, state "...each locality within a general housing market area shares with other localities the collective responsibility for making adequate provision for the housing needs of all economic segments of the market area population. Therefore, the housing element also must be responsive to the housing needs of a fair share of those households who do not live in the locality but whose housing opportunities are affected by the planning decisions of the locality." [emphasis added]

According to Section 6422 of the Guidelines, a fair share figure "...is to provide localities with a general measure of local responsibility for addressing a fair share of the market area housing need." [emphasis added]

SOURCE: SCAG, Draft Regional Housing Element -- 1979, pp. 10-11.
Computations by CBA.

Table III-2
North Orange County Housing Need Estimates
(1978)

	Households Needing Assistance	"Fair Share" Adjustment	Need Adjusted for "Fair Share"	Percentage Distribution	Units Needing Rehab.	Percentage Distribution
Anaheim	11,586	432	12,018	27.75	2,290	26.05
Brea	913	419	1,332	3.08	385	4.38
Buena Park	2,870	856	3,726	8.60	748	8.51
Fullerton	5,658	1,045	6,703	15.48	1,724	19.61
Garden Grove	6,023	826	6,849	15.82	998	11.35
La Habra	2,442	419	2,861	6.61	622	7.07
Orange	4,803	867	5,670	13.09	1,396	15.88
Placentia	929	569	1,498	3.46	240	2.73
Stanton	1,463	0	1,463	3.38	292	3.32
Villa Park	33	116	149	.34	4	.04
Yorba Linda	611	424	1,035	2.39	93	1.05
	<u>37,331</u>	<u>5,973</u>	<u>43,304</u>	<u>100.00</u>	<u>8,792</u>	<u>100.00</u>

SOURCE: SCAG, Draft Regional Housing Element -- 1979, pp. 10-11.
Computations by CBA.

share" need for Fullerton is 1,045 households compared to Anaheim's 432 households and Fullerton has only one-half the number of households as does Anaheim. Moreover, Brea, La Habra and Yorba Linda all have nearly the same number of "fair share" needs as Anaheim, though these three cities do not have nearly the same number of households or population as does Anaheim.

Anaheim has an estimated 2,300 housing units which are in need of rehabilitation or 26% of the north Orange County total. This percentage share also can be attributed to the City's size in that Anaheim has about 30% of all the housing units in north Orange County and also to the age of the housing stock in the City.

It should be noted that the north Orange County area was selected as the general housing market area because of data availability, geographic proximity, and the fact that some cities (e.g., Orange, Brea and Fullerton) have hill and canyon areas similar to those of Anaheim. However, Anaheim's actual regional relationships extend to Los Angeles, San Bernardino and Riverside Counties. More specifically, some of the communities in these counties such as Diamond Bar, Norco, Ontario, Chino, Corona, Mira Loma and others offer new housing at costs which are more affordable than those which would prevail in Anaheim for the same kind of house. This housing offers opportunities for first-time buyers who now live and/or work within Anaheim as well as some segments of the "move-up" market.

Relative Distribution of Orange County Housing Assistance Needs

Another way to describe regional relationships is in terms of the relative distribution of housing assistance needs. If all other things were equal, Anaheim's share of Orange County's housing assistance needs should closely resemble the City's share of all households living in the County. If the "shares" were expressed as percentages and Anaheim had 10% of all the County's households, the City also would be expected to have 10% of the County's housing assistance needs.

Table III-3 shows that in 1978 the City of Anaheim had an estimated 11,586 households needing assistance, or 12.3% of all the County's households who were in need of assistance (N=93,974). That same table also shows that the City had 75,549 total households, or 11.8% of all the households residing in Orange County (N=640,242). This means that Anaheim's share, or percentage, of the County's households needing assistance closely resembled its share of all the County's households. Indeed, these two percentages can be summarized as a ratio of needs to households (refer to final column in Table III-3). For Anaheim (citywide), this ratio is 1.04, which means that the City has a level of need (N=11,586) that would be expected, given the number (or share) of households it has relative to the County as a whole (11.8%).

Relative Distribution of Orange County Housing Rehabilitation Need

The ratio of rehabilitation needs to housing units also has been calculated for each city in Orange County. The results of these calculations are shown in Table III-4. For Anaheim, this ratio is .94 -- that is, the City has somewhat less of a need than would be anticipated from the number of housing units it has relative to all the housing units in Orange County. Several cities in the County, however, have significantly higher ratios of rehabilitation needs to the number of housing units: Santa Ana (2.68); Laguna Beach (2.23); Fullerton (1.49); and Orange (1.48).

Table III-3
Relative Distribution of Orange County Housing Assistance Needs By City
(1978)

City	Households Needing Assistance	Percentage Of All Households Needing Assistance (N=93,974)	Number of Households	Percentage Of All County Households (N=640,242)	Ratio of Needs/ Households
Anaheim	11,586	12.33	75,549	11.80	1.04
Brea	913	.97	8,570	1.34	.72
Buena Park	2,870	3.05	20,122	3.14	.97
Costa Mesa	4,280	4.55	30,524	4.77	.95
Cypress	1,502	1.60	12,318	1.92	.83
Fountain Valley	1,754	1.87	15,923	2.49	.75
Fullerton	5,658	6.02	36,578	5.71	1.05
Garden Grove	6,023	6.41	39,397	6.15	1.04
Huntington Beach	7,595	8.08	56,712	8.86	.91
Irvine	1,291	1.37	14,529	2.27	.60
Laguna Beach	1,719	1.83	7,887	1.23	1.49
La Habra	2,442	2.60	15,957	2.49	1.04
La Palma	448	.48	4,374	.68	.71
Los Alamitos	441	.47	3,629	.57	.82

City	Households Needing Assistance	Percentage Of All Households Needing Assistance (N=93,974)	Number of Households	Percentage Of All County (N=640,242)	Ratio of Needs / Households
Newport Beach	3,459	3.68	27,495	4.29	.86
Orange	4,803	5.11	29,052	4.54	1.13
Placentia	929	.99	9,931	1.55	.64
San Clemente	1,295	1.38	10,611	1.66	.83
San Juan Capistrano	923	.98	6,474	1.01	.97
Santa Ana	12,133	12.91	61,984	9.68	1.33
Seal Beach	1,733	1.84	13,368	2.09	.88
Stanton	1,463	1.56	8,543	1.34	1.16
Tustin	2,142	2.28	12,828	2.00	1.14
Villa Park	33	.04	1,775	.28	.14
Westminster	3,919	4.17	22,897	3.58	1.16
Yorba Linda	611	.65	7,494	1.17	.56
Unincorporated	12,009	12.78	85,721	13.39	.95
Totals	93,974	100.00	640,242	100.00	

SOURCE: Orange County Progress Report, 1978-79.
 SCAG, Draft Regional Housing Element -- 1979, pp. 10-11.
 Computations by CBA.

Table III-4
Relative Distribution of Orange County Housing Rehabilitation Needs By City
(1978)

City	Housing Units in Need of Rehabilitation	Percentage of All Housing Units in Need of Rehabilitation	Number of Housing Units	Percentage of all County Housing Units	Ratio of Rehabili- tation Needs/ Housing Units
Anaheim	2,290	10.99	79,483	11.90	.92
Brea	385	1.85	9,144	1.37	1.35
Buena Park	748	3.59	20,776	3.11	1.15
Costa Mesa	791	3.80	31,896	4.78	.79
Cypress	90	.43	12,517	1.88	.23
Fountain Valley	45	.22	16,223	2.43	.09
Fullerton	1,724	8.27	37,022	5.54	1.49
Garden Grove	998	4.79	40,420	6.05	.79
Huntington Beach	1,023	4.91	58,107	8.70	.56
Irvine	0	.00	15,496	2.32	-
Laguna Beach	619	2.97	8,862	1.33	2.23
La Habra	622	2.99	16,249	2.43	1.23
La Palma	11	.05	4,498	.67	.07
Los Alamitos	158	.76	3,727	.56	1.36

City	Housing Units in Need of Rehabilitation	Percentage of All Housing Units in Need of Rehabilitation	Number of Housing Units	Percentage of all County Housing Units	Ratio of Rehabili- tation Needs/ Housing Units
Newport Beach	554	2.66	30,324	4.54	.59
Orange	1,396	6.70	30,184	4.52	1.48
Placentia	240	1.15	10,272	1.54	.75
San Clemente	161	.77	12,121	1.82	.42
San Juan Capistrano	51	.24	6,742	1.00	.24
Santa Ana	5,476	26.28	65,398	9.79	2.68
Seal Beach	453	2.17	13,861	2.08	1.04
Stanton	292	1.40	8,752	1.31	1.07
Tustin	242	1.16	13,154	1.97	.59
Villa Park	4	.02	1,832	.28	.07
Westminster	340	1.63	23,472	3.51	.46
Yorba Linda	93	.45	7,707	1.15	.39
Unincorporated	2,031	9.75	89,657	13.42	.73
Totals	20,837	100.00	667,896	100.00	

SOURCE: Orange County Progress Report, 1978-79.
 SCAG, Draft Regional Housing Element -- 1979, pp. 10-11.
 Computations by CBA.

EXISTING NEEDS

As noted by Exhibit III-1 there are five categories of existing needs:

- Affordability/Cost Assistance
- Overcrowding
- Habitability
- Special Needs
- Fair Share Allocation

Affordability/Cost Assistance

This need category encompasses two conditions: 1) the gap between what people can afford to pay based on their income and the prices and rents of housing within the Anaheim community, and 2) the number of households who are now spending more than they can afford for housing.

The HEG define this latter need as *"...the number of very low and lower households occupying units at a cost greater than 25% of the gross household income"* (Section 6438[b][1]). A "very low income household" is one whose income (with adjustments for household size) does not exceed 50% of the median income of Orange County. A "lower income household" is one whose income (with adjustments for household size) does not exceed 80% of the median income of Orange County.

Estimated income distributions by tenure were compiled for both 1975 and 1979. The latest estimate reveals that there are about 31,700 households with annual incomes below \$12,000. Another 11,300 households fall in the annual income range of \$12,000 to \$15,000. The 1975 and 1979 income distributions are reported in Tables III-5 and III-6. For purposes of the Housing Element, all of the households with annual incomes below \$12,000 are considered to be in the "lower" income bracket (i.e., 80% or below the median income of Orange County).

Three standards were selected as a basis for measuring what households could afford in terms of monthly housing payments: 25% (the State's criterion), 30% and 35%. For households having annual incomes of less than \$12,000, the following represent the maximum monthly shelter payments:

Table III-5
City of Anaheim: Owner and Renter Annual Income Distribution
By Number and Percent
(1975)

Annual Income	Owner Households	Percent (N=37,721)	Renter Households	Percent (N=33,428)	Total Households	Percent (N=71,149)
\$0- \$4,999	3,582	9.50	6,484	19.40	10,066	14.15
\$5,000- \$7,999	2,538	6.73	5,605	16.77	4,143	11.45
\$8,000- \$11,999	4,684	12.42	8,289	24.80	12,973	18.23
\$12,000- \$14,999	5,726	15.18	5,223	15.62	10,949	15.39
\$15,000- \$19,999	8,581	22.75	4,492	13.44	13,073	18.37
\$20,000- \$24,999	6,502	17.23	2,004	5.99	8,506	11.95
\$25,000 or more	6,108	16.19	1,331	3.98	7,439	10.46
Totals	37,721	100.00	33,428	100.00	71,149	100.00

SOURCE: 1976 Special Census.
Computations by CBA.

Table III-6
City of Anaheim: Estimated Owner and Renter Annual Income Distribution
By Number and Percent
(1979)

Annual Income	Owner Households	Percent	Renter Households	Percent	Total Households	Percent
\$0- \$4,999	3,582	8.76	6,610	18.24	10,192	13.21
\$5,000- \$7,999	2,538	6.21	5,714	15.77	8,252	10.70
\$8,000- \$11,999	4,684	11.45	8,566	23.64	13,250	17.18
\$12,000- \$14,999	5,726	14.00	5,601	15.46	11,327	14.69
\$15,000- \$19,999	8,581	20.98	5,215	14.39	13,796	17.89
\$20,000- \$24,999	7,136	17.45	2,475	6.83	9,611	12.46
\$25,000 or more	8,646	21.15	2,054	5.67	10,700	13.87
Totals	40,893	100.00	36,235	100.00	77,128	100.00

SOURCE: 1976 Special Census.
1979 Population and Housing Estimates, State Department of Finance.
Computations by CBA.

- 25% ---- \$250
- 30% ---- \$300
- 35% ---- \$350

These maximum monthly payments then can be compared to the minimum monthly income requirements for housing by sales price and to the current apartment rent distribution and mobile home park charges.

To test the capacity of the housing supply, an inventory was made of sales that occurred during the first half of 1979 and of asking prices in the "active" market which is defined as homes completed but not yet sold. The other components of the market were "resales" (i.e., sold more than once), and "new homes" (i.e., sold for the first time). Details of the sales survey are shown in Table III-7.

In the "resale" market, a total of 875 sales occurred. Of these sales, only 16% (N=139) sold for \$60,000 or less. Assuming a \$10,000 downpayment and a \$50,000 mortgage, the monthly payment requirements are \$592.44 for a 30-year loan at a 14% interest rate. That payment level is out of the economic reach of lower income households even if they allocated 35% of their income for housing (i.e., \$350 = 35% of \$1,000 a month).

In the "new home" market, some 361 homes were sold during the first half of 1979. None of these homes sold for less than \$50,000; however, 25 homes had sales prices in the \$60,000 to \$70,000 bracket. In the "active" market there were 167 recently completed but as yet unsold homes (as of July 1979). The lowest priced unit was selling for between \$110,000 and \$115,000. Moreover, about 47% of all homes in the "active" market were selling for \$175,000 or more.

The implications of the sales price distribution are very clear -- the City's lower income renters (about 20,900 households) have few, if any, home ownership opportunities. Although some renter households could be accumulating savings to purchase housing, the amount of savings for a downpayment is quite substantial in today's housing market. Lower income owners might have enhanced opportunity in the resale market probably in the sales price range of \$60,000 to \$90,000. About 65% of all resales occurred in that price bracket.

Table III-7

City of Anaheim: Percentage Distribution of Sales Prices
In the Resale, New Home and Active Markets

PRICE RANGE	RESALE MARKET			NEW HOME MARKET			ACTIVE MARKET		
	Number	Percent	Cumulative Percentage Distribution	Number	Percent	Cumulative Percentage Distribution	Number	Percent	Cumulative Percentage Distribution
Less Than \$50,000	19	2.17		-	-		-	-	
50,000-54,999	45	5.14	7.31	-	-		-	-	
55,000-59,999	75	8.57	15.88	-	-		-	-	
60,000-64,999	162	18.52	34.40	3	.83		-	-	
65,000-69,999	174	19.90	54.30	22	6.09	6.92	-	-	
70,000-74,999	91	10.40	64.70	100	27.70	34.62	-	-	
75,000-79,999	60	6.86	71.56	37	10.25	44.87	-	-	
80,000-84,999	38	4.34	75.90	13	3.60	48.47	-	-	
85,000-89,999	40	4.57	80.47	10	2.77	51.24	-	-	
90,000-94,999	24	2.74	83.21	6	1.66	52.90	-	-	
95,000-99,999	20	2.29	85.50	10	2.77	55.67	-	-	
100,000-104,999	14	1.60	87.10	2	.55	56.22	-	-	
105,000-109,999	13	1.49	88.59	4	1.11	57.33	-	-	
110,000-114,999	14	1.60	90.19	6	1.66	58.99	1	.61	
115,000-119,999	8	.91	91.10	7	1.94	60.93	1	.61	1.22
120,000-124,999	9	1.03	92.13	10	2.77	63.70	2	1.21	2.43
125,000-129,999	10	1.14	93.27	11	3.05	66.75	2	1.21	3.64
130,000-134,999	7	.80	94.07	5	1.39	68.14	4	2.42	6.06
135,000-139,999	10	1.14	95.21	7	1.94	70.08	4	2.42	6.06
140,000-144,999	9	1.03	96.24	4	1.11	71.19	7	4.24	12.72
145,000-149,999	4	.46	96.70	8	2.22	73.41	7	4.24	16.96
150,000-154,999	7	.80	97.50	2	.55	73.96	9	5.46	22.42
155,000-159,999	5	.57	98.07	5	1.39	75.35	9	5.46	27.88
160,000-164,999	1	.11	98.18	14	3.88	79.23	13	7.88	35.76
165,000-169,999	7	.80	98.98	9	2.49	81.72	14	8.48	44.24
170,000-174,999	1	.11	99.09	10	2.77	84.49	15	9.09	53.33
175,000+	8	.91	100.00	56	15.51	100.00	77	46.67	100.00
TOTAL	875	100.00		361	100.00		165	100.00	

SOURCE: Resale and new home sales prices were derived from quarterly reports published by the SREA Market Data Center. These reports were obtained from the U.S. Department of Housing and Urban Development (Santa Ana Office). The reports contain sales data for the 1st and 2nd quarters, 1979, and covered sales occurring from September 1978 to June 1979. Most of the sales occurred during the January 1979 time period. Active market prices were obtained from project sales brochures and interviews with project sales offices. The information reflects sales prices as of July 1979.

Computations by CBA.

In October 1979 surveys were made of both apartments (refer to Table III-8) and mobile homes (see Table III-9) in the City of Anaheim. The income distribution of renters can be compared to the rent distribution of apartments to establish a relative measure of affordability. For example, 57% of all renter households are estimated to have annual incomes below \$12,000. Based on the 25% criterion, the maximum that these households could afford is \$250 per month. However, only about 12% of the 16,500 apartment units which were surveyed had monthly rents of \$250 or less. If the 35% criterion is used, the maximum amount that these households could afford is \$350 per month. According to the survey results, about 80% of all apartment units had monthly rents of \$350 per month or less. The magnitude of need, then, is a function of which criterion is selected. Based on the State HEC standard of 25%, there is a substantial lack of affordable housing. When the 35% criterion is used, the level of need diminishes.

In October 1979 a survey was conducted of 4,500 mobile home park spaces. Data on monthly rents was collected for 4,289 spaces. An estimated 52% of all the spaces had monthly rents of \$150 or less. The largest percentage (37%) of monthly rents was in the \$126 to \$150 bracket. It is difficult to measure the capacity of mobile home parks to meet need because there is no data on what the occupants are paying for on the mobile home itself. But the monthly space rents alone could not be afforded by some income groups. For example, only 4% of the spaces had monthly rents of \$100 or less. Those rents more than \$100 a month generally could not be afforded by households with yearly incomes of under \$5,000.

Based on all the available information, it is clear that there is a need for affordable housing. The precise magnitude of that need depends, in part, on which affordability criterion is chosen. The lower income and even moderate income renter group confronts special difficulties because of the need to accumulate a substantial downpayment to satisfy their home ownership aspirations.

Table III-8
City of Anaheim: Apartment Monthly Rent Distribution by Bedroom Size
(1979)

Monthly Rent	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom		4 Bedroom		Total	%	Cumulative Percent Distribution
	N	%	N	%	N	%	N	%	N	%			
Less Than \$150	106	7.04	91	1.40							197	1.19	
\$150-\$175	22	1.46	92	1.41							114	.69	1.88
\$176-\$200	11	.73	79	1.21	46	.61					136	.82	2.70
\$201-\$225	18	1.20	163	2.50	103	1.37					284	1.72	4.42
\$226-\$250	521	34.62	643	9.87	28	.37					1,192	7.23	11.65
\$251-\$275	171	11.36	1,900	29.16	757	10.10					2,828	17.16	28.81
\$276-\$300	189	12.56	1,826	28.02	987	13.17					3,002	18.21	47.02
\$301-\$325	110	7.31	925	14.19	1,653	22.07	9	1.05	1	.81	2,698	16.36	63.38
\$326-\$350	241	16.01	328	5.03	2,059	27.49	47	5.50			2,675	16.22	79.60
\$351-\$375	60	3.99	72	1.10	1,003	13.38	28	3.28			1,163	7.05	86.65
\$376-\$400	19	1.26	78	1.20	451	6.02	221	25.88			769	4.66	91.31
\$401-\$425	19	1.26	178	2.73	55	.73	338	39.58			590	3.58	94.89
\$426-\$450	18	1.20			55	.73	193	22.60			266	1.61	96.50
\$451-\$475					15	.20	18	2.11	122	99.19	155	.93	97.43
\$476-\$500					4	.05					4	.02	97.45
\$500 or More			142	2.18	278	3.71					420	2.55	100.00
Totals	1,505	100.00	6,517	100.00	7,494	100.00	854	100.00	123	100.00	16,493	100.00	

SOURCE: October, 1979 Apartment Survey. Survey, statistics and computations by CBA.

Table III-9
City of Anaheim: Distribution of Mobile Home Park Space Monthly Rents
(October 1979)

Monthly Rent	Number	Percent of Total	Cumulative Percentage Distribution
\$ <100	186	4.34%	
101-125	478	11.14	15.48%
126-150	1,586	36.97	52.45
151-175	849	19.79	72.24
176-200	822	19.17	91.41
201-225	202	4.71	96.12
226-250	83	1.94	98.06
251-275	83	1.94	100.00
Totals	4,289	100.00	

SOURCE: October, 1979 Mobile Home Park Survey conducted by CBA.

Estimates also have been made of the number of lower income households who are allocating 25% or more of their income on housing payments. These estimates are based on data available from the 1976 Special Census. As of January 1976 it was estimated that 14,175 households with annual incomes of less than \$15,000 were allocating 25% of their income for housing expenditures. However, for estimating purposes, lower income households are considered to be those with yearly incomes of \$12,000 or less. It was found that 98% of all households that allocate 25% or more for housing costs fall in the income bracket of \$12,000 or less. This percentage figure (98%) can be applied to the 14,175 households (i.e., \$15,000 or less, 25%+) to derive an estimate of 13,891 lower income households that were spending 25% or more of their income on housing payments as of the 1976 Special Census.

The 13,891 figure can be compared to the City's estimate of lower income households with housing assistance needs (as reported in the 1979 Housing Assistance Plan [HAP]). According to the most recent HAP, there are an estimated 12,318 lower income households in the City who have housing assistance needs. The apparent difference between these two estimates can be explained by the City's active use of the Section 8 Housing Assistance Payments Program. That program now provides housing assistance to about 1,658 of the City's lower income households.

In summary, the estimated number of lower income households paying 25% or more of their income on housing probably falls in the range of between 12,000 and 13,000 households. On a percentage basis, this number can be expressed as indicating that at least 15.5% to 16.9% of all the City's households allocate 25% or more of their income for housing expenditures.

Overcrowding

Among the conditions specified as necessary for attaining the State housing goal is the expansion of "...housing opportunities to accommodate the needs of all Californians for housing which...contains enough room to provide reasonable privacy for its occupants" (HEG, Section 6404[b]). The lack of reasonable privacy is measured by the extent of overcrowding, i.e., the number of housing units with 1.01 or more persons per room (HEG, Section 6438[b][2]).

Current data on overcrowding is unavailable. The most recent information is derived from the 1970 Federal Census which estimated that 3,148 households, or 5.9% of all the City's households, were overcrowded. This same source found that the overcrowding rate among renters is slightly higher than for owners.

A sample survey conducted in 1974 found that Countywide, overcrowding rates had declined since the 1970 Federal Census. This finding means that the City probably has not had an increase in the number of overcrowded households since 1970. It should be noted, however, that the current level of overcrowding in the City will remain an uncertainty until the 1980 Federal Census is completed. Moreover, the information presented above pertains only to household overcrowding. Overcrowding at the block or neighborhood levels, which are of significance in some areas of the City, has not been analyzed.

Habitability

According to the Guidelines, suitability/habitability refers to "...the number of households living in housing needing rehabilitation or replacement" (Section 6438[b][3]). "Needing rehabilitation" is defined as "...a housing unit which in its present state materially endangers the health, safety or well-being of its occupants in one or more respects, and which is economically feasible to repair." "Needing replacement" is defined as "...a dwelling unit which in its present state materially endangers the health, safety or well-being of its occupants in one or more respects, and which is not economically feasible to repair." The Guidelines also stipulate that the preservation of existing housing and neighborhoods is a high Statewide priority.

Through field surveys, data was gathered on Anaheim's residential maintenance and rehabilitation needs. Maintenance involves the regular upkeep of a structure and a premise. The most evident need in the neighborhoods of Anaheim is a new coat of paint to upgrade exterior appearance. About 15.5% of the 3,000 housing units surveyed in August, September and October 1979 showed a problem of inadequate paint. Other observed problems included inadequate landscaping, abandoned motor vehicles and rubbish accumulation on the premises.

Estimates of the number of housing units "suitable for rehabilitation" have been made for the entire City and several sub-areas. These estimates are based on the results of five housing condition surveys that were completed during the past two years. Appendix B explains the results of the five surveys and presents summary statistics for the City, neighborhood strategy areas and census tracts. The Citywide estimate of units suitable for rehabilitation (N=6,440) is greater than that of SCAG (N=2,290), as reported in Table III-4. Use of the SCAG data in that table, however, enabled a city-by-city analysis of the relative distribution of units needing rehabilitation. The SCAG estimates, however, were not derived from field surveys of every community located in southern California. Because of the tremendous costs of doing field surveys, the SCAG estimates were prepared from secondary data sources on variables such as the value, rent and age of the housing stock. The estimates discussed in the following paragraphs were derived from field surveys and are more accurate indicators not only of the magnitude but also the geographic distribution of rehabilitation needs in Anaheim.

The Citywide estimate of 6,440 housing units suitable for rehabilitation is 7.7% of the entire housing stock. About 60% of the units needing rehabilitation are found in the four CDBG target areas (refer to Exhibit V-1 for area boundaries) and the remaining balance of 40% are found in various sectors of the community. The following list indicates the generalized geographic distribution of units suitable for rehabilitation.

<u>CDBG Target Areas</u>	<u>Percent of Total (N=6,440)</u>
• Central City	20%
• Citron	15%
• South Anaheim	16%
• Patrick Henry	8%
<u>Outside Target Areas</u>	40%

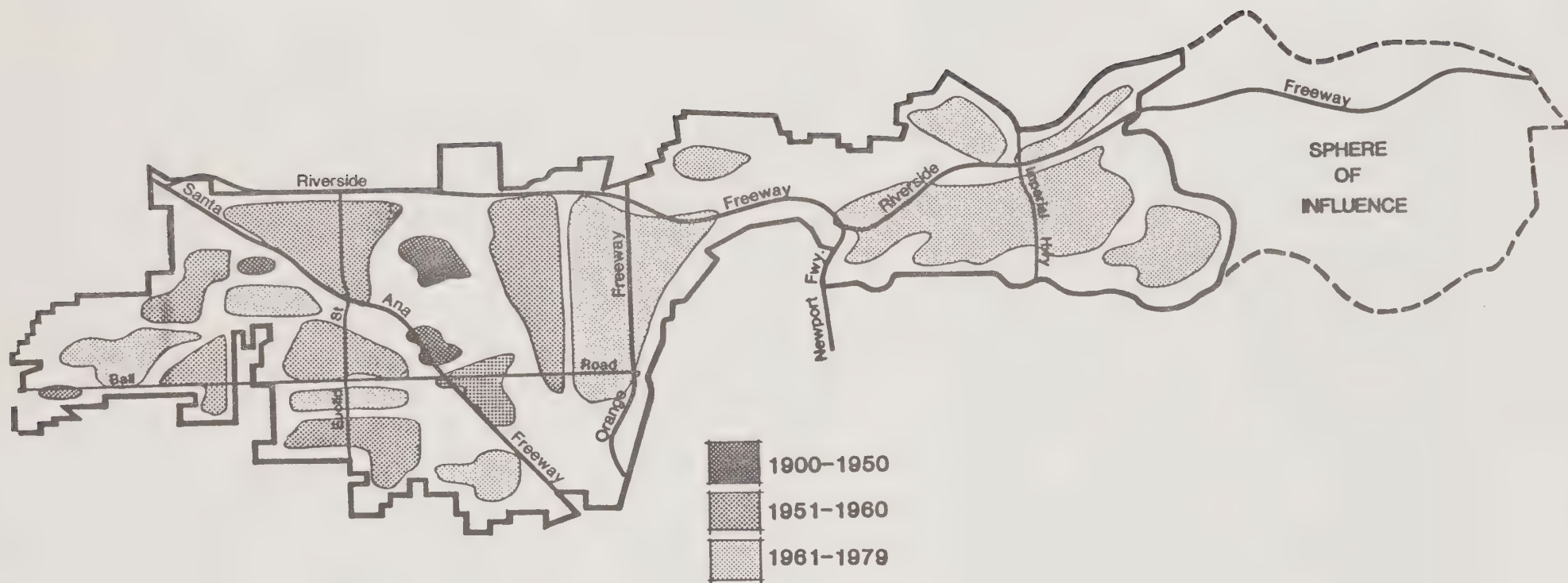
(Total does not add to 100 due to rounding.)

The above percentage distribution list reveals that the units needing rehabilitation are not overly concentrated in one or more contiguous geographic areas. But a significant share of all the City's housing units suitable for rehabilitation can be found in three (noncontiguous) census tracts -- 865.02, 875.01 and 866.01. (Refer to the exhibit in Appendix B for census tract boundaries.) These three census tracts have 29.3% of all the units in the City suitable for rehabilitation; however, these same tracts only have about 6.3% of the City's housing units.

Two of the three census tracts noted in the above paragraph also have extremely high percentages of units which are suitable for rehabilitation. Of all the units in census tracts 865.02 and 875.01, 44.9% and 44.6%, respectively, are in need of and suitable for rehabilitation. Additional census tract percentage figures are reported in Appendix B.

Most of the housing units (about 75%) suitable for rehabilitation are within multi-family structures. There is not a high geographic concentration of multi-family dwellings suitable for rehabilitation. Indeed, the South Anaheim area has the highest percentage (about 21%) of the City's multi-family units suitable for rehabilitation. Among single-family housing units needing rehabilitation, however, there exists a high concentration geographically. About 50% of all the single-family dwellings suitable for rehabilitation are located in the Central City target area (refer to Exhibit V-1 for a delineation of area boundaries). This geographic concentration in the Central City area, together with the fact that this area has 20% of all the units suitable for rehabilitation, can be related to the housing age structure of the City.

Exhibit III-2 shows the general spatial distribution of the age of housing in the City of Anaheim for three time periods. About 5,500 dwelling units were constructed prior to 1950, or 6.5% of the City's entire housing stock. Most of the City's dwelling units 30 years or older are located in a triangular shaped area bounded by the Riverside, Santa Ana and Orange Freeways (see Exhibit III-2). Even within the triangular shaped area, there is a high concentration; indeed, one-half or 50% of the City's



AGE OF HOUSING

EXHIBIT III-2

dwellings 30 years and over are situated within the small geographic area that is bounded by the Santa Ana Freeway, North Street, East Street and South Street. As noted above, this geographic area also has most of the City's single-family dwellings which are suitable for rehabilitation. Thus, within the Central City area there is a high correlation between the existence of an older housing stock and the prevalence of dwellings which are needing rehabilitation.

Apart from the Central City area, though, age and condition are not too strongly correlated. As explained earlier, the majority of dwelling units in need of and suitable for rehabilitation are found in apartment buildings. Most of these apartments were built after 1950 and the present below-standard conditions may be the result of several contributing factors, including original construction investment, overcrowding and overuse, and deferred maintenance.

With respect to units "needing replacement," the other major topic considered under the heading of "habitability," data are currently unavailable on their geographic location. The City's Housing Assistance Plan does contain an estimate of dwelling units "needing replacement." According to the Housing Assistance Plan, there are an estimated 1,041 standard housing units that are not suitable for rehabilitation. These dwelling units should be replaced with new construction.

Besides housing preservation needs, the City of Anaheim -- particularly in the central area -- has a variety of public service and facility needs at the neighborhood level. These needs are especially evident in the four neighborhoods selected for comprehensive community development activities. A brief summary of the service and facility needs in each neighborhood is presented below (see Exhibit V-1 for neighborhood boundaries).

- Neighborhood 1 -- alleys, parks improvement, neighborhood clean-up and a neighborhood multipurpose center. In addition, road and park improvements are needed in the Patt Street area.
- Neighborhood 2 -- alleys, street lights, park improvements and neighborhood clean-up.
- Neighborhood 3 -- park improvements, crime prevention and neighborhood clean-up.
- Neighborhood 4 -- park improvements, neighborhood clean-up and neighborhood re-design. The area is overcrowded, contributing to blight and deterioration, and a re-design is needed of a neighborhood that is overly developed with four-plex apartments.

Special Needs

The HEC identifies several categories of special needs households and suggests that attention be given "*...to the special needs of large families, minority households, the elderly, the handicapped and persons displaced as a result of public activities and others the locality deems appropriate*" (Section 6438[b][4]). Since the HEC do not attach an exact meaning to the term "special needs," the primary tool for evaluating the extent to which the need exists becomes an assessment of the magnitude, or numbers, of such households. This basic assessment can then be supplemented by information concerning the income and housing status of these families included in the "special needs" category. A summary of data relating to special needs households is presented below.

- In 1970, the City had 10,234 large households (5 or more persons), or 19.2% of the City's households. Not all of these households have housing assistance needs, however. The City's Housing Assistance Plan estimates that there are 852 lower income large family households who are in need of housing assistance.
- Based on the 1976 Special Census, an estimated 11.2% of the City's households are of minority heritage.
- Almost 7% of the residents of the City of Anaheim are 65 years of age or older. The largest single concentration of elderly persons is found in tract 875.02 in South Central Anaheim. This census tract contains 854 residents 65 years of age or older (6.3% of the City's total elderly population and 10% of the total population residing in the tract).
- With regard to "handicapped" persons, the 1976 Special Census of Anaheim identified households with disabled persons. This information can serve as an indicator of the handicapped population. Altogether some 3,149 such households were identified in 1976.

- Special needs households also include persons displaced as a result of public activities. The City's Housing Assistance Plan estimates that 300 households (100 owners and 200 renters) are expected to be displaced over the three-year time span from July 1, 1979 to June 30, 1982.

Fair Share Allocation

The Guidelines state that "...a locality must consider...its fair share allocation of the nonmarket-rate housing need within the general housing market area of which it is a part" (Section 6438--emphasis added).

"Nonmarket-rate households" means those households who do not have the financial capability to meet their housing needs without sacrificing other essential needs. The concept of "fair share" is defined by Section 6438: "...the housing element also must be responsive to the housing needs of a fair share of those households who do not live in the locality but whose housing opportunities are affected by the planning decisions of the locality."

As noted in the Regional Setting description, the SCAG Draft Regional Housing Element (April 1979) contains a fair share need estimate for the City of Anaheim of 432 households. That estimate, it should be noted, suggests the number of additional lower income households who should have housing opportunities in the Anaheim community. The level of fair share needs for the City, however, is quite small when compared to the number of resident households needing assistance and the number of households living in substandard shelter.

The concept of "fair share" also may be applied to the current geographical distribution of lower income households in what is termed the "north Orange County or general housing market area." Table III-10 presents income statistics for the 10 cities within the general market area. As of 1975, an estimated 39.5% of all the households residing in the market area had annual incomes of less than \$12,000. By comparison, in the City of Anaheim, about 44% of all the resident households had yearly incomes below the \$12,000 bracket. On a percentage basis, then, the lower income distribution for the City of Anaheim is higher than that for the entire market area. The implication is that if the market and City

Table III-10
1975 Annual Household Income for Anaheim and Nine Other Cities
In the General Housing Market Area

City	Unknown or No Response*	ANNUAL INCOME																Total Number Known
		\$4,999 or Less		\$5,000 \$7,999		\$8,000- \$11,999		\$12,000- \$14,999		\$15,000- \$19,999		\$20,000- \$24,999		\$25,000- \$49,999		\$50,000+		
		#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	
Anaheim	28726 (40.7%)	6015	14.3	4884	11.6	7701	18.3	6430	15.3	7677	18.4	4966	11.8	3923	9.3	409	1.0	42005
Brea	1988 (28.4%)	524	10.5	406	8.1	642	12.8	643	12.8	1041	20.8	861	17.2	831	16.6	65	1.2	5013
Buena Park	5035 (26.8%)	1457	10.6	1298	9.4	2330	16.9	2583	18.7	2861	20.7	1816	13.2	1311	9.5	136	1.0	13792
Fullerton	12206 (35.8%)	2950	13.5	2079	9.5	3432	15.7	2849	13.0	3749	17.1	2867	13.1	3385	15.4	565	2.7	21876
Garden Grove	15363 (40.1%)	2845	12.4	2349	10.2	3900	17.0	3907	17.1	4795	20.9	2920	12.7	2056	9.0	163	.7	22935
La Habra	4065 (30.4%)	1256	11.9	1043	9.8	1630	15.4	1667	15.7	1998	18.9	1393	13.2	1392	13.1	211	2.0	10590
Orange	12533 (45.5%)	2010	13.4	1329	8.9	2446	16.3	2231	14.9	2796	18.6	2056	13.7	1938	12.9	209	1.3	15015
Placentia	4096 (45.1%)	276	5.5	342	6.9	576	11.6	538	10.8	1043	21.0	1036	20.8	1094	22.0	69	1.4	4974
Villa Park	803 (48.5%)	8	.9	5	.6	10	1.2	20	2.3	38	4.4	100	11.7	484	56.7	190	22.2	855
Yorba Linda	2325 (35.0%)	121	2.8	152	3.5	366	8.5	599	13.9	1043	24.1	954	22.1	993	23.0	93	2.1	4321
Market Area Total	87130 (38.1%)	17462	12.4	13887	9.8	23033	16.3	21467	15.2	27041	19.1	18969	13.4	17407	12.3	2110	1.5	141376

SOURCE: Estimates and forecasts prepared by Orange County Forecast and Analysis Center.
Computations by CBA.

income distributions were to equal one another, Anaheim would have fewer lower income households (based on 1975 income data). (The \$12,000 cutoff figure was selected because it closely approximated 80% of the County median income value as of 1975.)

The market area and City income distributions also can be analyzed for purposes of estimating the actual "share" of market area lower income households that live in Anaheim. Using the 1976 Special Census data, it is estimated that about 34% of all the lower income households (i.e., less than \$12,000 annual income) residing in the market area were living within the City of Anaheim. The City's share of all market area households in 1976 was 31%. Therefore, the City's share of lower income households is somewhat higher than would be expected given its size in relation to the entire market area.

Even though the fair share need estimate of 432 households for the City of Anaheim is low, it may underestimate the actual need of additional housing for lower income persons based on population and employment growth factors. The SCAG fair share need figure is based, in part, on projected population and employment growth through 1980. The projected "nonmarket-rate housing" need is based on population and employment growth through 1985.

PROJECTED HOUSING NEEDS

According to Section 6438(a) of the HEG, the need for market-rate housing must be projected for a five-year period. "Market-rate households" refers to those households who have the financial capability to meet their housing needs without sacrificing other essential needs. Once a projection is made of "market-rate" housing needs, it also is possible to assess future need for nonmarket-rate housing.

Market-Rate Housing

Information has been compiled on estimates and projections for both population and housing units for the general market area and Anaheim. The general market area includes those communities located in north Orange County (i.e., La Habra, Brea and cities contiguous to Anaheim). The data that has been compiled for the market area and Anaheim establish a basis for assessing the magnitude of projected housing need and the City's share of that need. Table III-11 contains the data on population and housing estimates and projections.

Between mid-1979 and mid-1983, the Anaheim area is projected to have an increase of some 11,500 housing units. This increase is an indicator of projected housing need in the City. Over the nine-year time span from 1979-1988, Anaheim is projected to add 28,400 housing units. By 1988, the Anaheim area is expected to contain about 31% of all the housing units in the general market area. Perhaps more significant is the fact that the Anaheim area is projected to capture about 40% of all the housing units in the market area which are added between mid-1979 and mid-1988. On an annual basis, the projected increase in housing units amount to some 3,200 dwellings (refer to Table III-11 for details).

Employment projections for the City of Anaheim through 1995 also have been compiled and are included in Table III-12. The employment within the City of Anaheim in 1976 has been estimated at slightly over 100,000 (100,400). It is projected that by 1985 the City's employment will approach 164,000 (163,911). Given these two figures and assuming an even employment growth of 7,200 per year, results in a 1979 employment base estimate for the City of approximately 121,600 (121,595). Thus, the employment base within the City is expected to expand by over 42,000 jobs (42,316) between 1979 and 1985. This expansion will obviously be accompanied by an increased demand for housing within the City.

As noted above, the employment base is expected to expand by 42,316 jobs between 1979 and 1985. Based on the assumption that 32% of the

Table III-11
Population and Housing Estimates and Projections for
The General Housing Market Area and Anaheim
(1976-1988)

		Market Area Total	Anaheim Total	Anaheim Percentage Total	Anaheim Cumulative Incremental Increase 1976-1988	Anaheim Cumulative Incremental Increase 1979-1988
Jan. '76	Population	737,004	198,576	26.74		
	Dwelling Units	256,497	72,459	28.25		
July '79	Population	784,505	214,493	27.34	15,917	
	Dwelling Units	285,584	82,084	28.74	9,625	
July '81	Population	813,650	223,782	27.50	25,206	9,289
	Dwelling Units	301,159	87,706	29.12	15,247	5,622
July '83	Population	837,828	233,801	27.91	35,234	19,308
	Dwelling Units	315,733	93,585	29.64	21,126	11,501
July '88	Population	914,595	265,251	29.00	66,675	50,758
	Dwelling Units	355,638	110,453	31.06	37,994	28,369

SOURCE: Estimates and forecasts were compiled by Orange County Forecast and Analysis Center. Computations by CBA. The original forecasts were prepared by the Southern California Association of Governments. These forecasts were then allocated to Community Analysis Areas (CAAS), using Regional Statistical Area control totals. The CAA allocations were accomplished as part of the Multi-Modal Transportation Study. The figures for the City of Anaheim are aggregations of CAA projections.

Table III-12
City of Anaheim: Employment Projections
By Community Analysis Areas
(1979-1995)

	1976	1979	1985	'79-'85 Increase	%	1995	'79-'95 Increase	%
West Anaheim CAA	10,706	11,563	13,276	1,713	4.05	15,023	3,460	4.93
North Central Anaheim CAA	22,519	26,939	35,780	8,841	20.89	39,905	12,966	18.48
South Central Anaheim CAA	24,718	28,405	35,780	7,375	17.43	39,791	11,386	16.23
East Central Anaheim CAA	17,135	20,651	27,685	7,034	16.62	30,611	9,960	14.19
Anaheim Industrial CAA	24,377	32,564	48,940	16,376	38.70	63,190	30,626	43.64
Anaheim Hills CAA	985	1,473	2,450	977	2.31	3,250	1,777	2.53
Total	100,440	121,595	163,911	42,316	100.00	191,770	70,175	100.00

SOURCE: Orange County Forecast and Analysis Center.
Statistics compiled and computations made by CBA.

new employees will reside in the City, it can be estimated that about 13,540 ($42,316 \times .32 = 13,540$) of the new employees will both live and work in Anaheim. The relationship between employment and population can be expressed as a labor force participation rate (i.e., the percentage of all persons who are employed). Currently, 43.5% of all people are employed. This percentage can be converted to a ratio of people to workers. The ratio of people to workers is 2.3 ($100 \div 43.5 = 2.3$), which means that for every one employed person there are 2.3 persons. This ratio, when applied to the expected new employees that will both live and work in Anaheim, yields a projected population increase of 31,144 ($2.3 \times 13,540 = 31,144$). To derive the number of households generated by the population increase of 31,144, an average household size figure may be used. Using the current average household size of 2.662, the population increase would add 11,700 new households to the City of Anaheim ($31,144 \div 2.662 = 11,700$).

Nonmarket-Rate Housing

The income distribution of the added households is particularly difficult to project. The City's housing market would obviously influence the income distribution of future households. Other significant influences would include the City's land use and housing policies as they evolve and are implemented in the future. For housing planning purposes, the concern related to how much of the employment induced housing demand would be generated by lower income households. For projection purposes, perhaps the most appropriate choice is to set a range which could be as low as 20% or as high as 35%. In absolute numbers these percentages convert to some 2,350 to 4,100 lower income households who would need housing on the basis of Anaheim's employment growth. (The term "nonmarket-rate housing" refers to housing for those households who do not have the financial capability to meet their housing needs without sacrificing other essential needs.)

Demographic Impacts on Projected Housing Needs

Demographic characteristics, particularly the age structure of the population, will have a tremendous influence on the utilization of the standing stock and the demand and/or need for new construction. Most noteworthy among the influences of demographic characteristics on housing needs are magnitude, type, size and tenure of units that will be demanded or needed.

The stage in the family life cycle strongly influences housing needs. For instance, distinct family stages are sometimes identified as: young couples; and founding, expanding and empty-nester families. An indicator of the family life cycle is the age of the household head (e.g., less than 25 years of age, greater than 65 years of age). The current as well as future number of household heads that fall into specific age groups provide evidence on the qualitative and quantitative housing needs that could be served by the standing and incremental housing stock of the Anaheim community.

As independent living arrangements have become encouraged by social forces and facilitated by economic circumstances, the need for separate shelter has expanded as more people within particular age groups form individual households. Usually, this demographic characteristic is expressed by "headship rates" -- that is, the proportion or percentage of the population with a given age group who are heads of a household. For instance, headship rates have increased over the past decade and recent trends (derived from 1970 Federal Census and 1976 Special Census) are depicted in the following list.

<u>Age</u>	<u>Headship Rates</u>	
	<u>1970</u>	<u>1976</u>
14-24 years	.1339	.1407
25-34	.4907	.5158
35-44	.5412	.5690
45-64	.5709	.6002
65 & over	.5796	.6093

In 1970, out of every 1,000 persons who were aged 65 and over, 579 were heads of a household. By 1976, 609 out of every 1,000 persons 65+ were heads of households. Thus, even if a population remains stable there is an increased demand/need for housing as age-specific headship rates increase and as the population in the older age groups increases.

As a consequence, when a community's age profile becomes "older" there is a resulting increase in the demand or need for housing. A changing age profile also may influence the type, size and tenure of housing that will be needed. Since 1970, the City's age profile has changed; for example, between 1970 and 1976 the percentage of the total population less than 19 years of age declined from 38.8% to 32.9%. At the same time, most of the other age cohorts increased as a percentage of the total population. For instance, the 20-34 age group increased from 22.5% to 28.5% of the total population. The influence of demographic/social forces on the magnitude and sizes of units needed/demanded may be counter-balanced by economic circumstances. As the cost of housing increases in relationship to income, more people may choose "doubling-up" as a reasonable solution to economic constraints. Such "doubling-up" reduces the expressed demand for separate shelter and thereby lower quantitative housing requirements. Concurrently, the process of "doubling-up" increases unit size requirements as persons join together to share housing and concomitant expenses.

HOUSING CONSTRAINTS

MARKET CONSTRAINTS

Section 6444 of the HEG suggests that:

If the housing element is to have an impact on the private market through the standards and plans it sets forth, it should first analyze the market constraints which affect the production of housing. Included in this analysis should be an assessment of the cost factors which contribute to sales price or monthly rentals, and an evaluation of the types of site-built and factory-built housing and mobile-homes (single-family and multi-family) which can be provided at different price levels within the existing constraints of the market.

In this sub-section, an analysis is presented of housing cost trends, production cost factors, financing cost trends, and of the implication of these trends on vacancy levels and rates.

Housing Cost Trends

A fundamental constraint imposed by the demand/supply forces of the housing market is the cost or price of housing. Trends in the cost of housing over a period of time can either expand or contract the number and proportion of families that can afford new housing. When the costs of new housing continuously increase at a rate greater than income gains, more and more families become priced out of the market for new homes.

Housing cost trends in Orange County have been documented in a recent study by Alfred Gobar Associates. That study was conducted under the provisions of a grant from Californians for an Environment of excellence, full Employment, and a strong Economy through planned Development (CEEED). Information in the following paragraphs on housing cost trends and factors is extracted and summarized from the Gobar study.

During the 1970s the price of new single-family homes and of attached for-sale housing have increased dramatically in Orange County. For instance, in mid-1972 the average price of a new single-family detached home was \$34,600. By mid-1978, the average price had escalated to \$133,700. This represents an average annual increase of 25.3% compounded. During the same time period, the average price of new attached for-sale housing increased from \$27,400 to \$81,700, or at an average annual rate of increase of 20% compounded.

Such rates of increase in absolute and percentage terms would not be cause for alarm if incomes had experienced comparable gains. But they have not; indeed, the effective rate of increase in income probably has been less than 9% per year during the 1970s. Thus, increases in the cost of housing have exceeded income gains by a ratio of at least 2 to 1 and, perhaps, as high as 2.5 to 1.

The impacts of housing cost trends in combination with average income gains can be summarized as follows:

- As price increases exceed income gains more and more families are priced out of the market for new housing.
- The impact of price escalation is most severe on first-time buyers. It is estimated (refer to Table III-6) that as of 1979 the City had 36,200 renter households which represents 47% of all the City's households. It is these households who are most impacted by the radical upsurge of new housing costs.
- Prices of new housing influence the costs of resale homes. When new home values are high relative to consumer incomes, consumers interested in home ownership must turn to the resale market, thus inducing pressures for price increases. For example, between 1970 and 1978 the average price of existing homes increased from \$27,000 to \$81,100 or at an average annual rate of increase of 14.7%.
- As the price of new housing increased and pulled resale prices up, some individuals have managed to benefit, especially homeowners who had purchased dwellings in the early 1970s or before. These homeowners have found themselves with sizable equities and appreciation which have increased their net worth.

Housing Cost Factors

Over the past decade, several reports and studies have been issued on the national or regional "cost of housing." Most differ in intent and purpose but virtually all use the production cost of new single-family, detached housing units as their point of departure. Since production costs set the price of new housing, and new housing prices in turn "pull" the prices and rental rates for other types of housing, new home production costs influence the entire market.

As noted earlier, the most recent study on the cost of for-sale housing in Orange County was completed in 1979 by Alfred Gobar Associates. That study found that between 1972 and 1978 the average cost of new, single-family homes had increased by a net dollar amount of \$99,000 (i.e., to \$133,700 from \$34,600). The Gobar study attributed the cost increases to nine components, as follows:

	<u>Increase In Cost</u>	<u>Percent of Total Increase</u>
Increase in finished lot cost	\$37,502	37.9%
Increase cost of labor & materials	12,851	13.0
Product upgrade (1972 price)	9,212	9.3
Increased cost of labor and materials on product upgrades	7,196	7.3
Increase in development fees	4,464	4.5
Increase in financing costs	5,152	5.2
Increase in sales costs	3,000	3.0
Increase in developer's overhead	5,000	5.0
Increase in developer profit	<u>14,623</u>	<u>14.8</u>
Total Increase	\$99,000	100.0%

The Gobar study summarized the major factors contributing to cost increases on page 8 of Housing Cost Analysis -- Orange County:

Not only has rising land cost pulled up the cost of new homes directly, it has induced developers to upgrade the housing units to maintain a reasonable balance between the cost of land and the finished price of the home. These two forces account for at least 50.0 percent of the total increase in the price of new single family homes from 1972 to 1978. Developers have

mitigated some of the land cost effects by developing at higher density, but responded also by upgrading the product, contributing another 9.3 percent of the total increase in cost -- 16.3 percent if inflation on upgrades is also considered as traceable to the lot price factor. Similarly, some of the inflation in sales and financing costs could also be attributed to the same cause. Directly and indirectly, over 60.0 percent of the increase in new home prices from 1972 to 1978 is traceable to increases in land price which, in turn, is related to the restricted availability of land.

In the wake of cost increases, the mix of cost components have changed substantially between 1972 and 1978. Finished lot costs are now the largest cost factor contributing to the total price of a new home, increasing from 28% to 35% over the six year period. The major cost factors and their percentage of total costs are listed below:

	1972 % of <u>Total</u>	1978 % of <u>Total</u>
Finished Lot Cost	28%	35.3%
Basic Structure	47	21.8
Product Upgrade (1972 prices)		6.9
Inflation on Product Upgrade		5.4
Total Structure	47%	34.1%
Other Costs	25	30.6
Total	100%	100.0%

In 1972, basic structural costs exceeded finished lot costs by a ratio of 1.68 to 1. However, by 1978 the basic structural costs were actually less than the finished lot costs. And, as indicated by the foregoing quotation from the Gobar study, land costs also impact some of the other cost components. Consequently, the scarcity of land in light of demand has induced a dramatic upsurge in the cost of housing.

It can be concluded that finished lot costs (i.e., land plus site improvement costs) is the major cost component in the production of new housing. This factor, unlike others, is influenced particularly by the City's General Plan and zoning policies. Other cost factors such as labor and

material costs and increasing costs of financing are nonlocal in origin and thereby not subject to the City's influence.

According to Section 6444 of the HEG, a housing element should include an assessment of the cost factors associated with factory-built housing and mobilehomes. These two housing types are defined in Section 6410 of the HEG, as follows:

"Factory-built housing" means a unit as defined by Section 19971 of the Health and Safety Code and includes a dwelling which is either wholly or in substantial part manufactured at an offsite location and is assembled onsite. Factory-built housing shall not be deemed to include a mobile home, mobile accessory building or structure, a recreational vehicle, or a commercial coach.

"Mobilehome" means a structure transportable in one or more sections, designed and equipped to contain not more than two dwelling units to be used with or without a foundation system. Mobilehome does not include a recreational vehicle, commercial coach, or factory-built housing, as defined above.

Sale cost factors associated with factory built housing and mobile homes are quite variable, particularly per homesite raw land cost and the retail price of the dwelling unit itself. An idea of the sale price of a factory built housing development can be gained from a recent case study conducted by Golden West Homes in Riverside County. (That case study is described in the following publication: Modular Housing in the Western United States, published by the Corporate Marketing Department of Golden West Homes, March 1980.) Data from the Riverside County case study can be used to identify the probable amounts of various production cost factors associated with factory built housing.

<u>Cost Factor</u>	<u>Per Lot Amount</u>	<u>Per Dwelling Unit Amount</u>
<i>On-Site Costs</i> (for 149 duplex lots on 39 acres; 298 dwelling units -- cost includes grading, drainage, water, street, sewer and utilities)	\$ 9,434	\$ 4,717

<u>Cost Factor</u>	<u>Per Lot Amount</u>	<u>Per Dwelling Unit Amount</u>
<i>Off-Site Costs</i> (fees and other, including permits, maps, plans, inspections, bonds, etc.)	\$ 7,680	\$ 3,840
<i>Raw Land Costs</i> (assuming \$100,000 per acre land costs, 3.8 lots per acre, 7.6 dwelling units per acre)	\$26,316	\$13,158
<i>Home Costs</i> (suggested retail price for a modular home with 1,160 square feet)	--	\$35,280
<i>Site Service Costs</i> (includes factors such as concrete flatwork [i.e., driveway, walk, patio, etc.], fireplace, garage, foundation, set-up, utility connections)	--	\$11,998
<i>Overhead/Profit</i> (includes finance costs, selling and administrative costs; estimated at 25% of the previous cost factors listed above)	--	\$17,248
<i>Sales Price, Home and Land</i>		<hr/> \$86,241

As the foregoing case study demonstrates, factory-built housing (\$86,200) can be produced at a cost which is lower than that of traditional site-built housing (\$133,700 average cost in 1978). However, the cost differential is influenced greatly by raw land costs and ultimately by finished lot and homesite costs. The foregoing example was based on a raw land cost of \$100,000 per acre. That cost amount is much lower than the typical average price of the residential land supply in Anaheim. If a development comparable to the one located in Riverside County were completed in Anaheim, the average cost per home and land could be in the neighborhood of \$100,000 (assuming raw land costs of \$200,000).

Financing Cost Trends

Although the focus of the Housing Element Guidelines is on production costs, it should be observed that prospective occupants of new housing also have further expenses which include "acquisition" and "occupancy" costs. The principal acquisition costs are loan processing fees and other transaction expenses as well as the costs of moving.. Once acquired, the homeowner has recurring occupancy costs which include mortgage payments, property taxes, utilities, insurance and upkeep and maintenance costs. The production costs of housing also influence acquisition and occupancy costs in that the latter are based on the price or value of the new dwelling (e.g., mortgage payments, property taxes, utilities and insurance).

The major factor contributing to increased occupancy costs is, of course, mortgage loan interest rates. Those rates are now at record high levels having reached 16.5% during the first week of March 1980. Rising interest rates cause an escalation in the monthly payments required for mortgages of the same amount. For instance, the difference between monthly payments for a mortgage of \$50,000 at a 9% versus 14% interest rate is \$190. On a mortgage of \$75,000, the difference in monthly payments is \$285. This latter differential is on the order of what a homeowner is spending on mortgage payments for a house that was bought in the early 1970s for a then modest \$35,000.

Financing costs, for the most part, are not subject to local influence. In an effort to halt the country's inflationary cycle, the Federal Reserve Board has implemented policies which have caused an increase in the cost of borrowing money. The Federal Reserve Board has initiated the following actions: 1) decrease the money supply (and thus drive up interest rates); 2) increased member bank reserve requirements which causes a decrease in the amount of money that can be loaned; and 3) increased the discount rate which increases the amount the Fed

charges when member banks borrow from it. All of these actions have co-produced a trend of rising mortgage interest rates, sometimes on a weekly basis. Moreover, Savings and Loan Associations are confronted by the increasing costs of attracting the saver's dollar. A greater proportion of savings inflow is in the form of certificates of deposit and Treasury bill accounts which in early March 1980 had risen to 14.792%. The Savings and Loan Associations must then increase mortgage interest rates to cover their costs of inducing a savings inflow.

Even though occupancy costs have not been considered in great detail, their importance to maintaining a sound housing stock should not be overlooked. Another key factor of occupancy costs is the dollar outlay that is necessary for upkeep and maintenance. That outlay is highly discretionary on the part of the homeowner who must meet required monthly housing payments as well as other family budget outlays such as food, transportation and health/medical expenses. When families confront economic hardships they may choose to not expend a portion of their income on maintenance and upkeep costs. That practice, if continued over a long period of time, results in deferred maintenance and potential housing quality problems.

Vacancy Rates

As explained earlier, the price of new housing has a strong bearing on the demand for existing housing and subsequent vacancy levels and rates. In October 1979, a survey was conducted of apartment units located in the City of Anaheim. That survey managed to collect rent and vacancy information on some 16,500 apartment units. It was found that the overall vacancy rate was 1.63%, with a range of 1.14% for 2-bedroom units and 2.85% for bachelor units.

The overall vacancy rate of 1.63% when applied to the estimated total of 36,200 renter occupied units would indicate that the current number of vacant units is about 590. To reach a 5% vacancy rate, about 1,810 renter occupied units would have to be vacant at the present time.

That level of vacant units is not likely to be reached now or in the near-term future.

During the same time period, a survey also was conducted of about 4,500 mobile home park spaces. From that survey, vacancy data was available on 4,289 spaces. The vacancy data revealed that 80 of the 4,289 spaces were vacant for a vacancy rate of 1.87%. That rate is somewhat misleading since 65 of the 80 vacant spaces were located in one mobile home park (i.e., Anaheim Shores). Subtracting this mobile home park from the total inventory reveals that only 15 out of 4,025 spaces were vacant as of October 1979 (i.e., .37%).

GOVERNMENTAL CONSTRAINTS

In Section 6466, the HEG state the following:

The housing element should also analyze those public actions which constrain the maintenance, improvement or development of site-built and factory-built housing and mobilehomes. This analysis should include:

- (a) Local land use controls.*
- (b) Local building codes and their enforcement.*
- (c) On-site and off-site improvements required of developers.*
- (d) Local processing of zoning changes, use permits, building permits, environmental clearance, and any other types of permits, approvals or clearances required by the locality prior to construction or rehabilitation of a housing development.*
- (e) Fees required by the locality prior to construction or rehabilitation of a housing development.*
- (f) Other public actions as deemed appropriate.*

Local Land Use Controls -- New Housing

In its (revised) Housing Element, the City of Anaheim must include standards and plans for provision of adequate sites for housing (Section 6456). Furthermore, the Guidelines state that a local housing element must assure that local land use controls "...are compatible with the

provision of a range of housing opportunity and choice suitable to the needs of all economic segments of the community" (Section 6456).

One aspect of adequate housing sites is whether there exists a "range of housing opportunity and choice." Whether such opportunity and choice prevail is in part a function of land use controls, particularly the Land Use Element and Zoning Ordinance. Unlike many other communities in Orange County, Anaheim has balanced land use types and permitted in the past and will continue to do so in the future a range of housing types and styles.

Anaheim's Land Use Element and Zoning Ordinance have been developed to address both hillside and flat land developments. The Land Use Element allows for the following categories of residential land use:

- Hillside Estate Density Residential, up to 1.5 du/acre;
- Hillside Low Density Residential, up to 5 du/acre;
- Hillside Low-Medium Density Residential, up to 6 du/acre;
- Hillside Medium Density Residential, up to 16 du/acre;
- Low Density Residential, up to 8 du/acre;
- Low-Medium Density Residential, up to 18 du/acre; and
- Medium Density Residential, up to 36 du/acre.

The City's Zoning Ordinance reinforces the objectives of the Land Use Element by permitting several housing types in 11 residential zones, including the PC (Planned Community) zone which permits a variety of housing types and styles consistent with a planned community concept.

Another land use control that has a bearing on "housing opportunity and choice" is the minimum floor area requirement of each residential zone. In many communities, these floor area requirements are so high that they almost assure a pattern of high housing prices. However, in Anaheim the minimum floor area requirements present opportunities for the private sector to offer diverse housing sizes. The minimum requirement is 700 square feet in the RM-2,400 zone district.

Table III-13 summarizes the development standards for each of the residential zones. That table describes, for each zone, the housing types permitted, minimum lot area standards, and minimum floor area requirements.

In Anaheim, additional "opportunity and choice" is provided through the provision for mobile home parks for rental occupancy and mobile home subdivisions for owner occupancy. Such parks and subdivisions are allowed by conditional use permit (CUP) in four residential zones and six commercial zones. Further, mobile home parks, but not subdivisions, are permitted by CUP in the RS-A-43,000 Residential/Agricultural Zone and the ML/MH Industrial Zones.

Another consideration of adequate housing sites is "suitable locations." Here, once again, the City has been highly responsive to this objective. This is especially true in connection with the location of multi-family areas. Both planned and existing multi-family developments are located in close proximity to the City's growing industrial areas, near existing and planned school and park facilities, and are part of a total residential community that includes single-family neighborhoods.

Existing multi-family rental housing is protected from conversion to condominiums by the Zoning Ordinance. Although no explicit conversion protection is provided, the Ordinance requires that all existing apartments proposed for conversion must conform to the RM-3,000 zone standards. These standards are so different from the RM-1,200 standards to which most of the existing multi-family rental housing has been developed that modification to comply with the RM-3,000 standards makes conversion infeasible. (The City is now in the process of preparing an ordinance to regulate the apartment-to-condominium conversion process.)

Local Land Use Controls -- Existing Housing

Section 6446 of the HEG indicates that a housing element should analyze land use controls which constrain the maintenance and/or improvement of the existing housing stock.

Table III-13
City of Anaheim: Standards for Residential Development

Residential Zone	Housing Types Permitted	Minimum Lot Area (square feet)	Minimum Floor Area Requirement (square feet)
RS-A-43,000 Residential/ Agricultural Zone	Single-family dwellings	43,000	1225
RS-HS-43,000 Residential, Single-family Hillside Zone	Single-family dwellings	43,000	1225
RS-HS-22,000 Residential, Single-family Hillside Zone	Single-family dwellings	22,000	1700
RS-HS-10,000 Residential, Single-family Hillside Zone	Single-family dwellings	10,000	1225
RS-10,000 Residential, Single-family Zone	Single-family dwellings	10,000	1700
RS-7,200 Residential, Single-family Zone	Single-family dwellings	7,200	1225

Residential Zone	Housing Types Permitted	Minimum Lot Area (square feet)	Minimum Floor Area Requirement (square feet)
RS-5,000 Residential, Single-family Zone	Single-family dwellings	5,000	1225
RM-3,000 Residential, Multiple-family Zone	Single-family dwellings; two-family and multiple-family dwellings for either owner or rental occupancy	5,000 for single-family dwellings; 3,000 for two-family and multiple-family dwellings	1225 for single-family dwellings; 750 for bachelor and one-bedroom; 950 for two-bedroom; 1150 for three-bedroom units
RM-2,400 Residential, Multiple-family Zone	Single-family dwellings; two-family and multiple-family dwellings for rental occupancy	5,000 for single-family dwellings; 2,400 for two-family and multiple-family dwellings	1225 for single-family dwellings; 700 for one- and two-bedroom dwellings; plus an additional 125 square feet for each additional bedroom
RM-1,200 Residential, Multiple-family Zone	Single-family dwellings; two-family and multiple-family dwellings for rental occupancy	5,000 for single-family dwellings; 1,200 for two-family and multiple-family dwellings	1225 for single-family dwellings; 700 for one- and two-bedroom dwellings; plus an additional 125 square feet for each additional bedroom
PC-Planned Community Zone	Variety of housing types and styles consistent with a planned community concept.		

The primary land use control in Anaheim is zoning, which functions by designating the types of permissible uses in specified areas (commonly termed "land use zones") and by setting standards for property development. On occasion, structures are built in a zone with a particular set of standards and then, through new legislation, the zone and/or the development standards are changed. Existing structures that do not meet the new use and/or development standards are called nonconforming. Where the zone has been changed to no longer permit an existing use, the use is called an existing nonconforming use. In cases where the use is still permitted but the structure no longer meets new development standards, the structure is called an existing nonconforming structure.

The regulation of nonconforming uses and structures affects housing in Anaheim in two major areas. The first area is located generally north of the Riverside Freeway between the Orange Freeway on the west and Imperial Highway on the east. This area, called the Canyon Industrial Area, was once devoted to agriculture and is now planned for industrial uses. Between 100 and 200 dwelling units remain in this area from the time it was developed with tenant farms. Currently, the area is zoned ML (Industrial, Limited) and RS-A-43,000 (Residential/Agriculture). The City presently is preparing to finalize ML zoning for the entire Canyon Industrial Area. Once this occurs, residential uses within the area will become nonconforming uses. Thus, application of rehabilitation and preservation programs to residences in this area would be contrary to existing City ordinance and policy.

The second area impacted by nonconforming use and structure regulations is downtown Anaheim. This area is developed largely with older single-family residences but is zoned either RM-2400 (Residential, Multiple-Family) or RM-1200 (Residential, Multiple-Family). Both of these zones allow single-family residences developed either to the RS-5000 (Residential, Single-Family) or RS-7200 (Residential, Single-Family) zone standards. These residences are, therefore, nonconforming structures. The application of rehabilitation programs to these residences may be contrary to a strict interpretation of City ordinance but is not contrary to the manner in which the ordinance has been administered. Major rehabilitation may

cause a conflict with the ordinance. Thus, regulations governing the nonconforming structures in the downtown area may need additional clarification to indicate when improvements of existing nonconforming residential structures should be allowed without bringing the entire structure into code conformance.

Local Processing and Fees

Exhibit III-3 on the following page indicates Anaheim's "development processing system," including the requirements, fees and schedule for each type of project (i.e., General Plan amendment, zone change, tentative tract and so on). Although at first glance the processing system seems lengthy, several points of clarification must be made for a proper understanding. These points cover "special processing incentives" and "scheduling" considerations.

The City has developed "special processing incentives" for mobile home/residential rental developments, as follows:

- "Super-Stamp" -- affected departments will accept certification by a registered architect or engineer that the project plans comply with all City codes and ordinances. Any errors must be corrected prior to final inspection.
- Priority Plan Check -- until City's vacancy factor falls above 5%.
- Possibility of fee reimbursement -- where funds are available.

With respect to development process scheduling, several points must be made.

- Few projects require all or even most processes.
- There are few "standard" projects, thus a single critical path type diagram would be misleading.
- Some typical projects, i.e., conventional industrial units, can be processed by building permit only -- in as little as 4 days.
- In many cases, multiple processes can be moving forward concurrently.
- Petitions or permit application submittals must be complete to avoid any processing delays.

ANAHEIM DEVELOPMENT PROCESSING

PROCESS/INITIAL CITY CONTACT

REQUIREMENTS

FEES

SCHEDULE-IN DAYS

10 20 30 40 50 60 70 80 90 100 110 120

ANNEXATION (Planning Dept.) typically of uninhabited areas (less than 12 registered voters). Generally is processed concurrently with a reclassification of zoning.

- Area must be contiguous to City Boundary
- Property owner(s) submit application to City.

\$100-\$300 City
\$125-\$500 Local Agency Formation Commission
\$130 min. State Board of Equalization



GENERAL PLAN AMENDMENT (Planning Dept.) may stand alone or be in conjunction with an Area Development Plan or various studies. The General Plan sets forth policy direction for the physical growth of the City.

- Planning Commission or City Council must approve public hearing date.

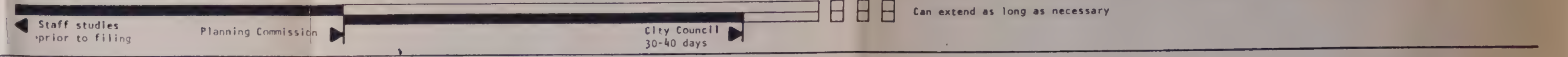
\$450 plus \$20/acre



AREA DEVELOPMENT PLAN (Planning Dept.) is a study to resolve access circulation or other concerns in an area being proposed for rezoning and/or development; is known as specific plan in State Government Code.

- No "standard" requirements.

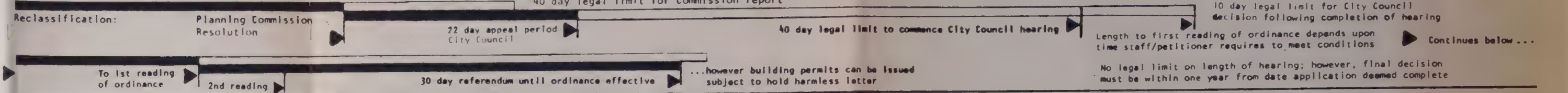
No City Fee.



RECLASSIFICATION (Planning Dept.) of zone, changes the uses permitted and the applicable development standards. If approved, the property is first put under "Resolution of Intent". When specified conditions are met an ordinance is introduced, adopted and zoning becomes final 30 days later. Where a Resolution of Intent is approved over a large geographical area, separate ordinances are adopted when each owner is ready and has met conditions.

- Reclassifications: completed petition, signed supplement, three copies of title report, complete plot plan, floor plan, elevation and authorization of agent if applicable.
- Resolution of Intent: three copies of title report and letter from owner requesting reading of ordinance.

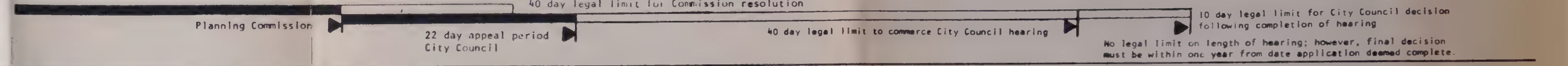
Reclassification: \$450 plus \$20/acre
Appeal fee is half original filing fee
Resolution of Intent - \$100 for "reading" of ordinance for parcel(s) completing area-wide Reclassification Resolution of Intent.



CONDITIONAL USE PERMIT (Planning Dept.) is a zoning process used to review the location, site development or conduct of certain land uses which generally have a distinct impact on the area in which they are located or capable of creating special problems for adjacent properties, unless certain conditions are applied.

- Completed petition, signed supplement, three copies of title report, complete plot plan, floor plan and elevation, authorization of agent if applicable.

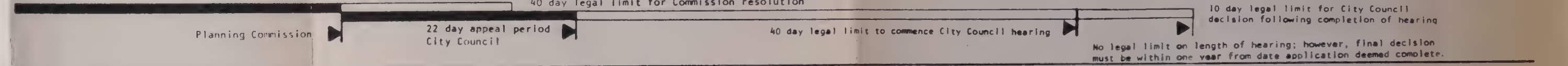
\$200 signs, setbacks, minor change to 1-lot parcels or \$350 plus \$20/acre for planned residential developments, mobile home/travel trailer parks/other large development proposals. Appeal fee is half of original filing fee.



VARIANCE (Planning Dept.) from specific sections of the Zoning Code may be granted if it can be shown that because of special circumstances inherent in the property, the strict application of the code would deprive a property of privileges enjoyed by other properties in the same areas and having the same zone.

- Completes petition, signed supplement, three copies of title report, complete plot plan, floor plan and elevation, authorization of agent if applicable.

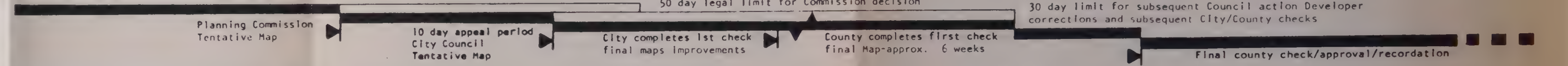
\$200 signs, setbacks, minor change to 1-lot parcels or \$350 plus \$20/acre where involving: Large developments/residential subdivisions (4+ units over 1 acre). Appeal fee is half of original filing fee.



TRACT MAP-TENTATIVE (Planning Dept.) FINAL (Subdivision Section, Public Works) A tentative tract map showing design and improvement of a proposed subdivision need not be based on an accurate or detailed final survey. A final tract map must be prepared under the direction of a registered civil engineer or Licensed Land Surveyor.

- 28 tentative tract maps folded 8 1/2 x 11" and one copy for each conjunctive tract/zoning petition
Letter of Continuance for tract to be considered with any conjunctive zoning action.
Final map 9 each; improvement plans 4 each; Closure Calcs. and preliminary title report.

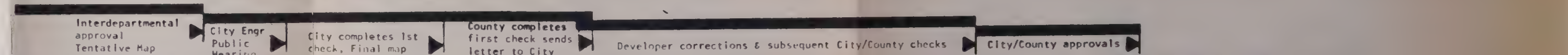
Tentative Map: \$350 + \$10/lot (numbered or lettered)
Final Map: \$75 plus plan-check deposit (\$36/hr.)
\$350/lot Sing. Fam., \$110/unit Multi. Fam.*
\$150 per sheet, duplicate mylar deposit



PARCEL MAP (Subdivision Section of Public Works Dept.) may be used to subdivide land, especially in cases of non-residential use, or certain limited residential lot splits. As with a tract map, both a tentative and final map are processed but the process is simplified.

- 12 prints (tentative), 4 prints (final) of map prepared by or under direction of a registered Civil Engineer or Licensed Surveyor.
Closure calcs. and prelim. title report

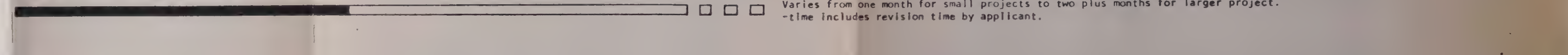
\$350 filing fee*
\$800 plan-check deposit*
\$150/sheet duplicate mylar deposit



GRADING PERMIT (Subdivision Section, Public Works Dept.) is required for any excavation or fill in excess of 500 cubic yards (flatland areas), 100 cubic yards (hillside areas), and/or in situations such as in the alteration of a water course or creation of certain slope angles.

- Five prints showing property lines, attached buildings/structures, contours/dimensions and amounts (certified) of fill excavation prepared/signed by registered: Civil Engineer (hillsides), Landscape Architect or Surveyor.

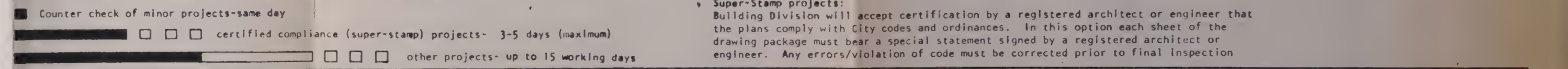
\$30 plus*
\$1000-plan check deposit-flatlands*
\$1000 plus plan-check deposit-hillsides*
....depends on cubic yards



BUILDING & RELATED PERMITS (Building Div. of Planning Dept.) application forms may be obtained by mail or "over the counter". For residential tracts having typical models, a Master Permit may be prepared for electrical, plumbing and mechanical work for each model type - Irrespective of number of units each.

- Completed permit applications, satisfactory content/quality plans, signed by persons having the appropriate technical qualifications.

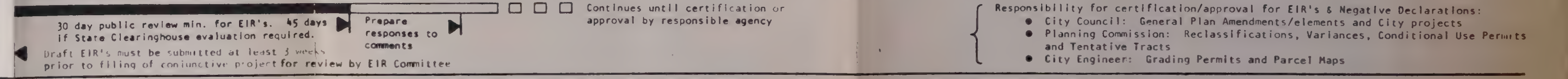
Vary-per Uniform Building/Other Code Schedules as adopted by City Council. Plus plan-check fee (65% of permit fee).



ENVIRONMENTAL ASSESSMENT (Planning Dept.) must be made for any project which requires a decision by City Council or delegate. Certain minor projects are "categorically exempt". Otherwise applicant must complete Initial Study form. If there is no significant adverse impact on environment, staff will prepare a Negative Declaration. Otherwise applicant must supply Draft Environmental Impact Report.

- If required: Completion of Initial Study Form and possible preparation of Draft Environmental Impact Report (EIR) (25 copies required - min.)

No City Fee - Categorical Exemption
\$50-Negative Declaration
\$500 EIR



MISCELLANEOUS (As appropriate): depending on nature of project, some "minor" processing might be required. In most cases this can be done concurrently with any of above processes. Examples are: Requests to remove specimen trees in the Scenic Corridor, redevelopment review if project is in City redevelopment area, noise or special landscaping studies or plans.

- In most zoning procedures, various conditions must be met prior to final approval or prior to use, "standard" conditions include:
a) Dedication of R-O-W for streets/utilities
b) Installation or bonding for improvements such as curbs, gutters and sidewalks.
c) Payment of fees based on front footage for street lighting and/or trees.

Additional fees may be required, for example park and recreation fees (for residential development), sewer connections, water meter hook-ups, traffic signal assessments

- With respect to scheduling, several points must be made:
1) Few projects require all or even most processes
2) There are few "standard" projects, thus a single critical path type diagram would be misleading.
3) Some typical projects i.e. conventional industrial units can be processed by building permit only-in as little as 4 days.
4) In many cases multiple processes can be moving forward concurrently.
5) Petitions or permit application submittals must be complete to avoid any processing delays.
6) Planning Commission or City Council can continue Public Hearing on project to allow for clarifications, further study or revision. Continuance will add additional time to processing and extend legal limit by length of the continuance, Planning Commission, 2 week min., and City Council, 1 week min.
7) Plan check time for tracts, parcel maps, permits can be reduced if developer wishes to pay for overtime.
8) Minimum schedule times may be, extended based on ability of public/private staff to respond.

CITY OF ANAHEIM - ATLAS - MANAGEMENT EXHIBIT
CONTACT: CITY OF ANAHEIM
PLANNING DEPARTMENT PHONE 714/999-5139
200 S. ANAHEIM BLVD.
ANAHEIM, CA 92805

- Planning Commission or City Council can continue Public Hearing on project to allow for clarifications, further study or revision. Continuance will add additional time to processing and extend legal limit by length of the continuance, Planning Commission, 2 week minimum and City Council, 1 week minimum.
- Plan check time for tracts, parcel maps, permits can be reduced if developer wishes to pay for overtime.
- Minimum schedule times may be extended based on ability of public/private staff to respond.

Housing Program Utilization

The State Housing Element Manual suggests that an analysis should be conducted of constraints related to the local utilization of Federal and State housing programs and constraints related to Article XXXIV of the California Constitution. A brief summary of these constraints is presented in the following pages.

Article XXXIV of the California Constitution

This provision of the California Constitution is considered by many as a constraint upon the construction of "low income" housing. The State Housing Element Manual, on page 53, suggests that:

By requiring referendum approval of all low-rent housing projects "developed, constructed, or acquired in any manner" by any state public body, Article 34 of the State's Constitution poses an obstacle to the delivery of housing suited to needs of lower-income households.

Although Article XXXIV may act as a constraint on the production of housing for "persons of low income," it does not have universal application. Its referendum requirements affect some, but not all, of the housing programs that may be suited to the needs of lower and moderate-income families.

Section 8 of the National Housing Act

The City of Anaheim has made extensive use of the Section 8 Existing Housing Assistance Payments Program. A comparison of the Section 8 rent limits to the monthly rents of apartments yields an assessment of the capacity to utilize this significant housing program.

The October 1979 apartment survey reveals a substantial proportion of the City's apartment stock falls within the Section 8 rent ceilings, although there is variation across bedroom sizes. In general, the Section 8 existing rent ceilings do not pose a serious constraint on the local utilization of this particular Federal housing program. Perhaps the more severe constraint is the availability of Federal funding resources for that program, a part of which could be applied in the City of Anaheim.

California Housing Finance Agency (CHFA) Neighborhood Preservation Program

This program has a sales price ceiling of \$73,000. About 54.3% (425) of all resale units commanded sales prices of \$70,000 or less during the first half of 1979. In the new home market, about 6.1% (25) had sales prices of \$70,000 or less. This program, too, appears to have the capacity of local utilization. The fundamental constraint, at this time, is related to funding availability rather than the pattern of sales prices in the existing stock. Another constraint could be the downpayment requirements on a \$70,000 home. A 20% downpayment on a \$70,000 home is \$14,000 and this amount could be beyond the means of many lower and moderate income families.

The subject of governmental constraints is continuously changing as laws, statutes, rules and regulations are modified and/or enacted. These changes occur particularly at the State and Federal levels and thereafter become standards and requirements which must be satisfied by local governments. Some of these standards and requirements are

exceedingly difficult to satisfy (e.g., air quality standards) while others are practically unworkable (e.g., mortgage limits on Section 235 ownership housing). It may be reasonably assumed that the State and Federal governments will continue to impact the housing endeavors of local communities by establishing laws, statutes, rules and regulations which must be satisfied.



HOUSING PLAN - GOALS, POLICIES & PRIORITIES

Section 6450 of the State Housing Element Guidelines states that a housing element must include:

A statement of the goals, policies, and priorities, which together provide the framework around which the local housing plans are developed and implemented. In adopting local goals, policies and priorities, the locality expresses a commitment to act in accordance with the standards they provide.

The State HEG require that a housing element be related to the State housing goal and be consistent with three State policy objectives. The State housing goal declares that "...the early attainment of a decent home and a satisfying environment for every Californian" is a priority of the highest order. The State's three policy objectives include the following:

The provision of a decent housing environment for all persons regardless of age, race, sex, marital status, ethnic background, source of income or other arbitrary factors.

The provision of housing selection by location, type, price and tenure.

The development of a balanced residential environment with access to employment opportunities, community facilities, and adequate facilities.

According to the Guidelines, then, a local housing element must include a statement of goals, policies and priorities. That statement is to provide a framework for deciding which action programs should be included in a housing element, in which areas those programs should be implemented, and when the actions should be taken.

HOUSING AND NEIGHBORHOOD PRESERVATION

According to the Housing Element Guidelines, "...housing preservation and conservation are high statewide priorities." Moreover, the fundamental State housing goal emphasizes the need for homes and neighborhoods of adequate quality in that it calls for "...a decent home and a satisfying environment for every Californian." Those State goals and priorities indicate that the City of Anaheim also should emphasize housing and neighborhood preservation.

EXISTING GOALS, POLICIES AND PRIORITIES

Anaheim's Housing Assistance Plan has the most recent statement on the City's goals, policies and priorities in the area of housing and neighborhood preservation. According to this document, a primary goal is to:

Preserve the early character of existing neighborhoods by providing rehabilitation; infill housing to replace substandard units not suitable for rehabilitation; preservation of historic houses; public improvements; parks; and related public services. (1980-81 Housing Assistance Plan, p. 6)

The intent of this goal is to establish a framework for the rehabilitation and upgrading of homes as they now exist, whenever this is possible within the City's older neighborhoods.

In terms of achieving this primary goal, the City has established priorities due to limited resources and the capabilities of housing programs presently available to the City. Those priorities were established by identifying areas that are most in need of housing and neighborhood preservation assistance. The priority areas include the four neighborhoods shown in Exhibit V-1. In the short-term, the City intends to concentrate housing rehabilitation efforts in those four neighborhoods while public works improvements are to be emphasized in Neighborhood 1.

HOUSING ELEMENT GOALS, POLICIES AND PRIORITIES

When this Housing Element was prepared, information was gathered on the condition of Anaheim's housing stock as well as current and future actions which could meet community needs. That information was shared with the Citizen's Advisory Committee and was the topic of discussion at several meetings. From these discussions and meetings, a synthesis was developed on the goals, policies and priorities that should be included in the Housing Element.

Goals

- To enhance the quality of existing neighborhoods, protect environmental resources and prevent urban blight.
- To preserve the quality of Anaheim's ownership and rental housing stock by maintenance, rehabilitation and replacement actions.
- To preserve the quality of existing neighborhoods by the adequate provision of services and facilities and the completion of capital improvements throughout the community, where necessary.

Policies

- To achieve housing and neighborhood preservation through all practical and appropriate financing tools, including local, State and Federal programs.
- To achieve housing and neighborhood preservation in selected areas of the community within the time frame stipulated by the community development block grant program and using all appropriate and available financial resources.
- To encourage property owner participation and volunteer efforts in the achievement of housing and neighborhood preservation.
- To limit general fund resources expended for neighborhood preservation to that already incorporated in the City's "capital improvements program."

Priorities

- To emphasize housing and neighborhood preservation activities within Anaheim's four CDBG Target Areas.

- To complete the guidelines necessary for holding a public referendum on the question of whether the City's Housing Authority should acquire and own property for the purpose of meeting residential rehabilitation needs. (Already implemented by recent action of the City Council.)

STANDARDS AND PLANS FOR ADEQUATE HOUSING SITES

To address housing needs, there must be available land, according to the Housing Element Guidelines. That available land should accommodate a range of housing which can respond to the needs of all economic segments of the community. Two of the three State's policy objectives relate very closely a need to develop plans for adequate housing sites: 1) the provision of housing selection by location, type, and tenure, and 2) the development of a balanced residential environment.

EXISTING GOALS, POLICIES AND PRIORITIES

City goals, policies and priorities as they relate to land availability are reflected primarily by the current Land Use Element and Housing Element and the three-year Housing Assistance Plan. The Land Use Element of the General Plan provides the overall framework for making land available for housing. Anaheim's present Housing Element (adopted in May, 1973) contains no explicit statements on site availability, although it does say that *"...a need for extensive new low cost housing is not evident."* Finally, the Housing Assistance Plan has a three-year new construction goal of 840 units of which 15% are for prospective owners and the balance of 85% are for renter households needs. (The production of these units is to be assisted through the following programs: Section 235, Section 8, Section 202 and through the Affordable Housing Incentive Program. These programs are described in Section V of the Housing Element.)

HOUSING ELEMENT GOALS, POLICIES AND PRIORITIES

As a result of the Housing Element Citizen Participation Program, a synthesis of goals, policies and priorities has evolved. That synthesis, in effect, formalizes a continuation of past and current activities by the City.

Goals

- To expand the land available for addressing housing needs by a variety of actions including revisions to present plans and standards, such as the Land Use Element and Zoning Ordinance.

Policies

- To establish methods of enhancing land availability within the framework of the City's Land Use Element, Zoning Ordinance, Housing Assistance Plan and community development block grant program.
- To continue to seek financial resources that would enable the City to acquire and then re-sell to the private sector sites which are suitable for the development of housing to address the needs of low and moderate income households.

Priorities

- To place emphasis on those revisions of the Land Use Element and Zoning Ordinance which would increase the availability of land to meet the needs of Anaheim's lower and moderate income households.
- To place emphasis on the acquisition of land on a scattered site basis within the City's two Neighborhood Strategy Areas (i.e., Central City and Patrick Henry) and the two Target Areas (i.e., Citron and South Anaheim). (Such lands then will be re-sold to the private sector for development of housing suited to the needs of lower and moderate income households.)

ADEQUATE PROVISION FOR HOUSING NEEDS

A fundamental State policy objective is the provision of housing selection by price. Besides that objective, the State law requiring the preparation of housing elements and Section 6460 of the Guidelines point out that local plans and programs must make adequate provision for the housing needs of all economic segments.

EXISTING GOALS, POLICIES AND PRIORITIES

In connection with making adequate provision for the housing needs of all economic segments, the City's current goals, policies and priorities are best reflected by the Housing Assistance Plan. That document contains a three-year program aimed at meeting housing needs in the following ways:

- Housing assistance to renter households residing in new, standard and rehabilitated housing.
- Rehabilitation of substandard housing for both owner and renter households.
- New construction (at below market costs) for both owner and renter households.

The three-year goals for these methods of meeting housing needs are as follows:

- Housing assistance -- 4,189 households
- Rehabilitation -- 1,937 housing units
- New Construction -- 890 households/units

Altogether, the above programs will address the needs of 4,877 households as indicated below:

- Housing assistance to 2,050 lower income households in existing, standard housing.
- Rehabilitation of 1,384 housing units for households who also will obtain housing assistance.
- Rehabilitation of 553 owner-occupied housing units.

- New construction of 755 housing units for households who also will receive housing assistance.
- New construction of 135 for lower income, prospective homeowners.

HOUSING ELEMENT GOALS, POLICIES AND PRIORITIES

For the policy area of adequate provision of housing needs, the following goals, policies and priorities are established. They represent the City's general approach to finding ways to satisfy unmet need and how resources should be used and allocated among various needy groups. (The previous sub-section concerned adequate sites or land availability as opposed to financial or other methods to meet needs.)

Goals

- To continue to make adequate provision for housing needs in proportion to existing and future needs.
- To continue to seek all available and appropriate financial and housing assistance resources to meet the community's housing needs.

Policies

- To continue to address housing needs through rehabilitation, housing assistance and new construction, as appropriate.
- To continue to expand upon the financial resources that the City may utilize for purposes of making adequate provision for all housing needs.
- To consider the conversion of apartments to condominiums as presenting opportunities for creating affordable home ownership housing and as a means of regulating escalating rents if two problems can be mitigated -- the displacement of renter households and the loss of rental stock.

Priorities

- To place emphasis on the housing needs of "first-time" buyers by offering all feasible programs.
- To place emphasis on reducing the pressures for escalating rents, especially through new construction activities.

- To complete the guidelines necessary for holding a public referendum on the question of whether the City Housing Authority should own and operate new rental housing. (Already implemented by recent action of the City Council.)

PRESERVATION OF AFFORDABLE HOUSING

One of the policy areas that must be addressed by a housing element relates to preserving the affordability of housing. More specifically, Section 6454 of the Guidelines indicates that a housing element must *"...emphasize the importance of preserving affordability at the same time condition is being improved or maintained."* That statement may imply a need to address the affordability question in relationship to newly built housing, standard existing dwellings as well as rehabilitated structures.

EXISTING GOALS, POLICIES AND PRIORITIES

Neither the City's present Housing Element nor other elements of the General Plan contain statements directly related to the preservation of affordable housing. However, in its *"Three Year Community Development and Housing Plan,"* the City has indicated that one of its major objectives is to *"...assist low- and moderate-income families in obtaining affordable, decent, safe, and sanitary housing...."* In that same document, the City has stated that a long-term objective is to *"...develop affordable housing both for homeownership and rental units."*

HOUSING ELEMENT GOALS, POLICIES AND PRIORITIES

The following goals, policies and priorities have been formulated as part of the housing element planning process.

Goals

- To maintain the existing stock of affordable housing in the Anaheim community.
- To establish new, affordable housing including both home ownership and rental housing units.

Policies

- To preserve the affordability of housing that is aided by public financing tools.
- To implement controls that assure continued affordability when the City permits the conversion of apartments to condominiums.
- To assure the affordability of the existing rental housing by facilitating the construction of new apartment developments.

Priorities

- To place emphasis on assuring continued affordability of existing, rehabilitated and newly constructed rental housing.

ACCESSIBLE HOUSING

One of three State's policy objectives is to provide decent housing *"...for all persons regardless of age, race, sex, marital status, ethnic background, source of income or other arbitrary factors."* Moreover, the Housing Element Guidelines indicate that localities should seek to eliminate the effects of discrimination and to provide safeguards against future housing discrimination. These statements reveal that a local housing element should seek to make housing accessible to everyone.

EXISTING GOALS, POLICIES AND PRIORITIES

The City's current Housing Element, adopted in May 1973, includes the following goal statement: *"To provide opportunity for all segments of the population residing and employed within the City of Anaheim to obtain decent housing and a suitable living environment."* That goal statement is reinforced by the following objective: *"To encourage equal opportunity for adequate housing for all, regardless of race, creed, national origin, or ethnic group."*

HOUSING ELEMENT GOALS, POLICIES AND PRIORITIES

Goals

- To assure fair housing opportunities for all residents of Anaheim, including families and households with children.
- To provide for the housing needs of "special needs" households.
- To provide housing opportunities for persons who are employed within the City of Anaheim.

Policies

- To provide financial support for fair housing activities through the City's CDBG funds.

- To provide financial support that would help to meet the needs of all heads of households and handicapped persons through the City's CDBG funds.

Priorities

[No priorities have been established. The City will attempt to allocate resources in proportion to evident need.]

Table I-1 in the Executive Summary presents a list of the Housing Plan's goals, policies and priorities for each of the five policy areas.



HOUSING PROGRAM

Local housing elements must include a housing program that describes current and planned activities of the City in three areas:

- Programs in the process of implementation
- Programs to be implemented
- Programs which need further study

In addition, a housing element must describe how local actions are addressing five policy areas:

- Preserving Existing Housing and Neighborhoods (Section 6452)
- Standards and Plans for Adequate Housing Sites (Section 6454)
- Adequate Provision for the Housing Needs of All Economic Segments of the Community (Section 6460)
- Preservation of Affordable Housing (Section 6454)
- Provision of Accessible Housing (Section 6458)

The meaning of these five policy areas is explained in the body of this section of the Housing Element.

In this section, several references are made to geographical areas of Anaheim. Exhibit V-1 delineates the City's entire CDBG Target Area and the four CDBG targeted areas. Exhibit V-2 indicates the boundaries of the Concentrated Rehabilitation Area (i.e., CHFA Target Area).

Table I-2 in the Executive Summary indicates the recommended status (e.g., programs in the process of implementation) of various housing programs according to each of the five policy areas (e.g., housing and neighborhood preservation). These recommendations were prepared following an extensive period of meetings and work sessions with the Citizens Advisory Committee. That Committee has helped greatly to shape the form and content of the recommended actions.

The Housing Program contains 51 actions which are directed at addressing unmet housing need in the Anaheim community. Over the past few years and, indeed, quite recently, the City Council has authorized the

implementation of several effective approaches of meeting housing need (for example, the Brookhurst Village condominium project, "super-stamp" processing, and an Article XXXIV referendum.) The Housing Program of the Housing Element is, in many ways, an extension and/or augmentation of previous aggressive efforts by the City to address severe housing problems.

The language of the Housing Program states whether the City is in the process of implementing any actions, whether it intends to implement certain actions, or whether further and additional study is warranted. Where possible, quantitative targets or goals to measure program accomplishments have been stated. *(Those actions endorsed by the City Council represent a future course of action for meeting the City's housing needs. The City Council will be working within the framework of the adopted actions; however, from time to time, it may be necessary to adjust to changing conditions, and therefore modify the framework of the Housing Program. In other instances, suggested programs may prove to be unworkable and the City Council may wish to consider alternative programs and action steps.)*

In the following pages, each of the recommended programs is described in greater detail and referenced to the summary list contained in Table I-2. The recommended programs are categorized according to one of five policy areas (e.g., housing and neighborhood preservation). Within each policy area, the programs are further categorized according to recommended status (e.g., in the process of implementation, need further study).

Exhibit V-3 follows the detailed description of each of the recommended housing programs. That exhibit presents a Housing Element Program Summary by briefly describing, for each program, the following key items: 1) related policy area; 2) specific program objectives; 3) program actions; 4) financing sources; 5) agency responsible for implementation; and 6) implementation schedule.

Section V concludes with estimates of the beneficial impacts of the housing element program in terms of diminishing unmet housing needs. These estimates indicate that about 44% of the housing assistance needs and about 39% of the rehabilitation needs will be met over the next three to five years.



CITY OF ANAHEIM

Community Development Block Grants Neighborhood Strategy Areas • NSAs

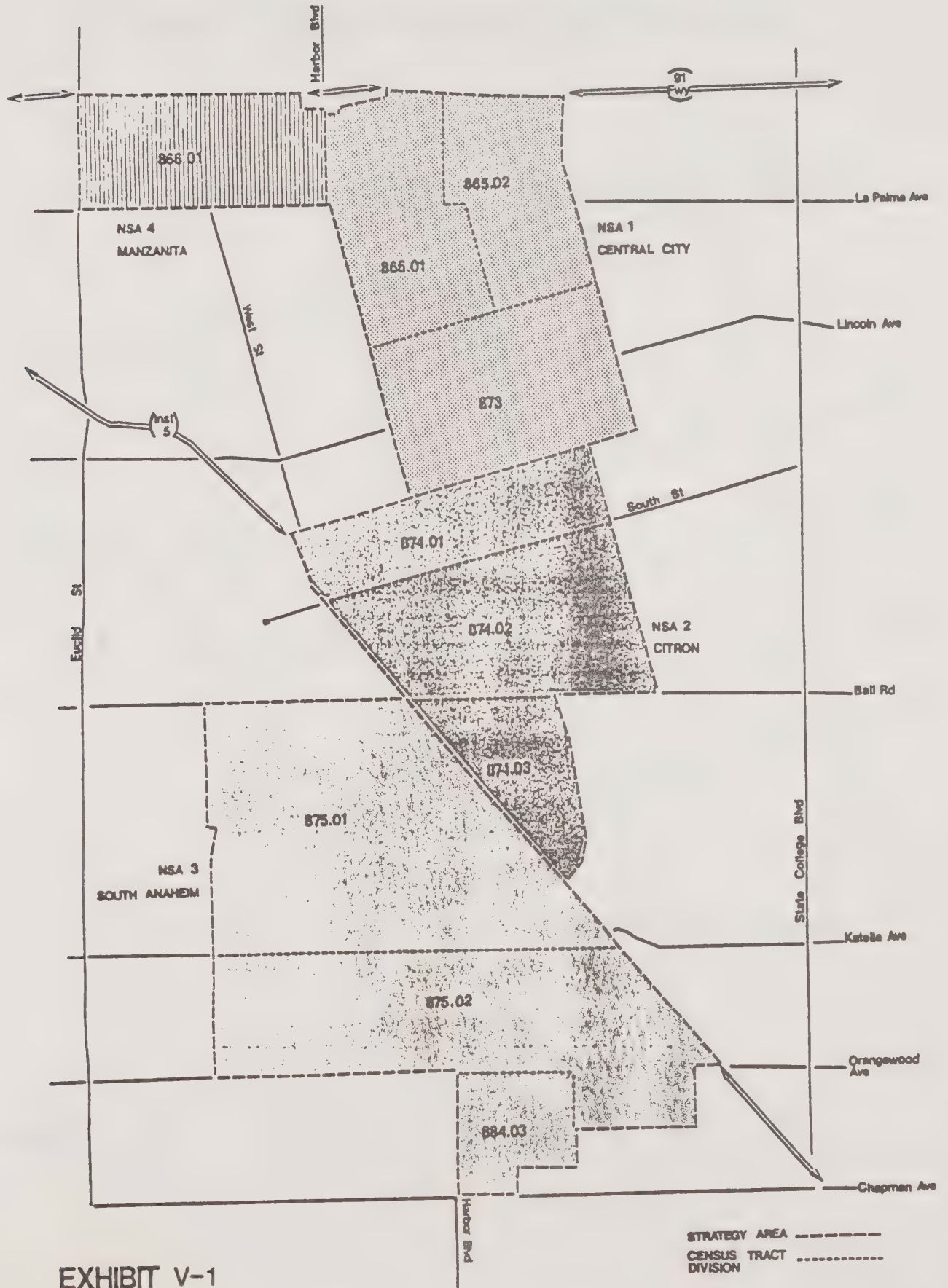


EXHIBIT V-1



CITY OF ANAHEIM
CONCENTRATED REHABILITATION AREA

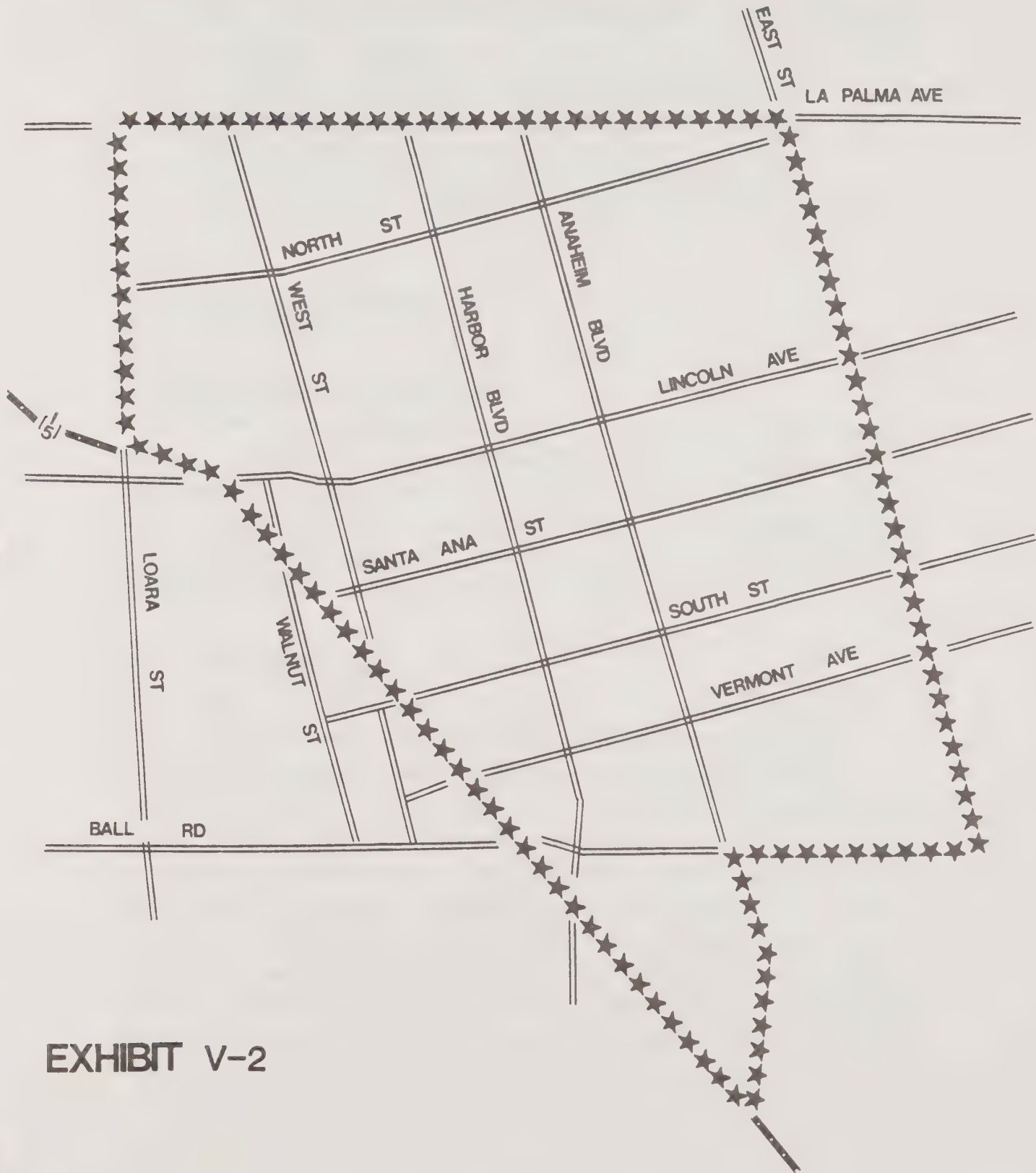


EXHIBIT V-2



HOUSING AND NEIGHBORHOOD PRESERVATION

Section 6452 of the Housing Element Guidelines (HEG) states the following:

The housing program of a local housing element shall describe the steps being taken to preserve existing housing and neighborhoods through such measures as rehabilitation, code adoption and enforcement, improvements in housing management and maintenance, and the provision of adequate municipal facilities and services, recognizing that housing preservation and conservation are high statewide priorities.

PROGRAMS IN THE PROCESS OF BEING IMPLEMENTED

Neighborhood Clean-up Campaigns

This program involves concentrated efforts by the City to encourage selected neighborhoods to clean-up and fix-up their neighborhood environment. Activities incorporated in this program include the convenient placement of 20 cubic yard drop-off bins in the selected neighborhoods and block clean-up parties. The program is available only in the CDBG Target Area and is funded by City of Anaheim CDBG funds.

Youth Paint and Pick-up

This program provides financial assistance to families with incomes at 125% of poverty level in order to improve the maintenance of their single-family homes and yards. The financial assistance includes:

- 1) a grant to pay for the materials [i.e., paint, etc.] and 2) provision of youth workers from Neighborhood Youth Corps to paint the dwellings and maintain the landscaping at no cost to the eligible families. Under this program, the maximum (material cost) grant is \$500. This program is implemented primarily in the CDBG Target Areas (see Exhibit V-1) and on an occasional spot basis throughout the City. Funding for this program is obtained from three sources: 1) City of Anaheim CDBG funds [to pay for material grants], 2) Neighborhood Youth Corps [to pay for youth workers], and 3) CETA funds [to pay for instructors].

Code Enforcement

Over the next three years, the City expects to allocate an estimated \$87,000 for purposes of enforcing the housing code ordinance which requires residential property owners to keep their housing units in a safe, sanitary and decent condition. These dollar resources are to be expended in the four targeted areas. During the current fiscal year (i.e., July 1979 to June 1980), an estimated \$30,000 was expended on housing code enforcement in the four areas.

It should be noted that housing code enforcement is done on a "complaint" basis -- that is, the occupant or nearby resident notifies the City of apparent violations.

Rebates

This neighborhood preservation program involves a \$500 maximum rebate on improvements accomplished with the participant's own income. The actual amount of the rebate is graduated according to the participant's income. This program is only available in the CDBG Target Area and is funded by the City's CDBG monies.

Deferred Loans

This program was developed as a "last resort" method of financing rehabilitation projects when the property owner cannot afford to make monthly payments. The City provides loans to eligible borrowers to accomplish the rehabilitation of substandard dwellings that have housing code related violations. The loans are secured by a junior trust deed and payment on principal and interest is deferred until the property is transferred or when the loan is due. This program is primarily implemented in the four targeted areas (see Exhibit V-1) and on an occasional basis throughout the City. Funding for this program is obtained from two sources: 1) City of Anaheim CDBG funds and 2) Deferred Payment

Rehabilitation Loan Program, State Department of Housing and Community Development [AB333/SB229]. Through the latter source the City has obtained \$160,000 for deferred rehabilitation loans. This resource amount should help to achieve the rehabilitation of an estimated 15 to 30 housing units.

Housing Repair

This program provides financial assistance to eligible borrowers for purposes of achieving necessary repairs of substandard housing with housing code related violations. Under this program, a maximum of \$5,000 per house is available to finance the necessary code-related repair work. In addition, the cost of repairs is made into a lien against the property which becomes a grant if the occupant remains the owner for five (5) years. This program is implemented in the CDBG Target Area (see Exhibit V-1) and on a spot basis throughout the City. The funding source for this program is City of Anaheim CDBG funds.

Low-interest Loans

This program involves the issuance of rehabilitation loans to eligible borrowers to finance the repair and improvement of eligible properties with substandard housing conditions. Under the provisions of this program, the City, through a write-down technique, makes available residential rehabilitation financing at below market costs.

The low interest loans are available Citywide, with the interest rate dependent upon income. Loan origination and servicing is through local lending institutions participating in the program. Loans are available for both owner-occupant and investor-owners desiring to fix-up their properties on a willing participant basis. Funding for the interest-reduction payments made by the City is taken from the Community Development Block Grants. Interest rates can be as low as 3% for owner-occupants and 5% for investor-owners.

Multi-family Rehabilitation

This program is designed to assist owners of rental properties to fix-up their rental units in need of repair. Funds from the CDBG program are used to pay an interest discount to participating lenders. This interest differential payment is calculated to lower the effective interest paid by the borrower to 7% below the current market rate. Under this program, the maximum loan amount in most cases is 80% of the "after rehabilitation" property value. Moreover, the maximum loan term can be 15 years or 180 months.

To qualify for this program, the borrower must allow their low-income tenants, who are paying more than 25% of their income for monthly rents, to be assisted by the Housing Assistance Program offered by the Anaheim Housing Authority. This eligibility requirement applies to rental properties located in the CDBG Target Area. Borrowers outside of this Target Area must have at least 50% + one of their tenants in the low- and moderate-income category.

California Housing Finance Agency Loan Program

This program provides for residential rehabilitation financing at below-market interest rates. Under this program, two types of loans are available. First, below-market interest rate loans (currently 9%) are available for first mortgage loans for acquisition, acquisition with rehabilitation, and refinancing with rehabilitation. These loans are primarily available in the downtown Target Area (refer to Exhibit V-2). The second type of loan is a low-interest second trust deed or add-on type of loan for rehabilitation which is written down through the use of the City's CDBG funds. These loans are available throughout the City. For both types of loans, the borrowers must meet income-eligibility requirements. As indicated earlier, there are two funding sources for this program: 1) CHFA below market-rate financing and 2) CDBG funds for interest rate write-downs.

Moderate Rehabilitation

The City has received funding assistance for 114 units for fiscal year 1979-80 under the provisions of the Section 8 Moderate Rehabilitation Program. That program defines "moderate rehabilitation" as involving a minimum expenditure of \$1,000 for a unit, including its prorated share of work to be accomplished on common areas or systems.

It should be noted though that this program does not provide the funds necessary to accomplish the rehabilitation work. Those funds must be derived from another source such as CDBG or CHFA monies or private financing. This program, in essence, assures the availability of *housing assistance* funds when the dwellings are eventually rehabilitated.

Section 312 Rehabilitation Loans

The City anticipates an average of 13 rehabilitation loans per year to be issued under the provision of this program, which provides for loans at a 3% interest rate. The loans are made directly from the Los Angeles Area Office of the U.S. Department of Housing and Urban Development. However, loan processing is handled by the City of Anaheim.

Acquisition with Rehabilitation

Through the use of CDBG funds, the City plans to expend \$850,000 between mid-year 1979 and mid-year 1982 for the acquisition of real property. On some of the acquired parcels, the City will implement a program of move-on rehabilitatable units or rehabilitation of the existing housing to sell to low- and moderate-income families. (On the remaining acquired parcels new housing will be constructed -- that is, acquisition with replacement.) The "acquisition with rehabilitation" program will be implemented only in the Central City Target Area (refer to Exhibit V-1).

Acquisition with Replacement

The intent of this program is to finance the acquisition of parcels with substandard buildings for purposes of clearing the land and thereafter allowing the construction of new housing or move-on of rehabilitated units. This program is funded by City of Anaheim CDBG funds. New construction is to be developed by the private sector. Financing for this program is derived from the \$850,000 of CDBG funds allocated for the acquisition of real property.

Neighborhood Improvements

As part of its Community Development Block Grant Program, the City plans to achieve the following public improvements over the next three years:

- Street light improvements will be completed in CDBG Target Areas 1, 2, 3 and 4.
- Alleys needing repair also will be reconstructed in the four CDBG Target Areas.
- Park facilities will be provided in CDBG Target Areas 1, 3 and 4.

Additional neighborhood improvements are made as part of the City's Capital Improvements Program which is financed by the General Fund of the municipal budget.

PROGRAMS TO BE IMPLEMENTED

Substantial Rehabilitation

In connection with this program, the term "substantial rehabilitation" refers to housing which requires more than routine or minor repairs or improvement. Substantial rehabilitation may vary in degree from gutting and extensive rehabilitation to cosmetic improvements coupled with cure of substantial accumulation of deferred maintenance. In addition, substantial rehabilitation may include renovation, alteration or remodeling

for the conversion or adaptation of structurally sound property to the design and condition required for use under the general provisions of the Section 8 program. For instance, this may include the conversion of a hotel to housing for the elderly.

Section 8 is a program which provides housing assistance payments on behalf of eligible lower income families. Such assistance makes up the difference between what a lower income family can "afford" (i.e., 15% to 25% of income) and what the landlord must charge for monthly rent on an apartment. Such assistance may be provided in existing standard housing or housing subject to "moderate" or "substantial rehabilitation." In the latter case, such housing specifically refers to housing requiring "substantial rehabilitation" for which, prior to the start of rehabilitation, an agreement is executed between the property owner and the City's Housing Authority. That agreement requires the property owner to allow housing assistance payments on behalf of eligible lower income families.

Acquisition with Rehabilitation (Public Housing)

This method of housing preservation allows the City's Housing Authority to acquire real property that is rehabilitated prior to occupancy by lower income families. The methods for accomplishing the necessary repair and rehabilitation work include: 1) purchase by the Housing Authority after the improvements are completed, 2) acquisition and then rehabilitation by the private sector, and 3) acquisition and then rehabilitation by the Housing Authority.

This additional program has the advantage of being financed without City CDBG funds. It also can be used on a scattered site basis.

Besides these advantages, this approach also is particularly helpful in areas (or houses) where the owners won't or can't achieve the necessary repairs. Before this program can be used, however, a referendum is

necessary (under the provisions of Article XXXIV of the California State Constitution) because the City's Housing Authority would own the rehabilitated property.

In May 1980, the Anaheim City Council authorized an Article XXXIV referendum. On June 3, 1980, the voters approved the referendum measure and, therefore, the City is now allowed and intends to engage in the rehabilitation or development of low-income housing as defined by Article XXXIV of the State Constitution. (Refer to page III-55 for a brief explanation of Article XXXIV requirements.)

Residential Rehabilitation (Marks-Foran)

Under the provisions of this program, cities, counties, housing authorities and redevelopment agencies are authorized to issue tax exempt revenue bonds to finance residential rehabilitation. Unlike "general obligation" bonds which become a debt of the community, "revenue bonds" are backed only by the revenues from the project being financed.

Revenue bonds are generally attractive to localities because they are sold at lower interest rates than private bonds and they are attractive to investors because the interest income realized from the bonds are tax-exempt. Localities can, therefore, offer rehabilitation loans at interest rates slightly higher than the interest the agency must pay on the bonds.

Rehabilitation loans under the Marks-Foran approach can be made at interest rates much lower than those prevailing in the marketplace. Moreover, up to 35% of the revenue bond issue can be used to finance new construction and up to 20% can be used for commercial rehabilitation. Furthermore, the Marks-Foran program can make the City less dependent on the availability of the CHFA Home Ownership and Home Improvement Loan Program.

The City intends to implement this program for purposes of helping to meet housing and neighborhood preservation needs. In July 1980, the first step toward implementation was taken when the City Council approved a notice of intent to issue a Marks-Foran bond issue.

STANDARDS AND PLANS FOR ADEQUATE HOUSING SITES

Section 6456 of the Guidelines states the following:

The physical capacity of a local jurisdiction to address need is in part a function of the availability of adequate sites. Each locality must include in its housing element standards and plans for provision of adequate sites for site-built and factory-built housing and mobilehomes.

Sites are adequate only to the extent they provide suitable locations which can collectively accommodate a range of housing (type, size and price) responsive to the needs for all economic segments of the community.

(a) Suitability of individual sites -- housing elements should include standards to be used in evaluating the suitability of individual sites for nonmarket-rate housing, including factory-built housing and mobilehomes.

(b) Collective capacity of sites to accommodate an appropriate range of housing -- in developing standards and plans for the provision of adequate sites, local housing elements shall focus on assuring that both local land use controls and local infrastructure of services and facilities are compatible with provision of a range of housing opportunity and choice suitable to the needs of all economic segments of the community.

PROGRAMS IN THE PROCESS OF BEING IMPLEMENTED

Site Inventories

To comply with this section of the Guidelines, the City has completed inventories of land availability and suitability for housing. The most comprehensive inventory is incorporated by reference in this Housing Element and is entitled "A Study of Underdeveloped Sites and Residential Land Uses in the City of Anaheim."

Two general concepts are described below that may help to enlarge the supply of sites available for the production of affordable housing.

- An inventory will be conducted of "by-passed" parcels, particularly in non-residential zones. One focus of attention will be on abandoned or otherwise vacant service station sites. Those sites, if adjacent to residential development, may offer some viable opportunities for the development of affordable housing.
- Another potential supply of available land is surplus public land (e.g., Orangethorpe/Imperial Highway site). A complete inventory of publically owned land will be made for purposes of identifying vacant and available land.

The City intends to complete these inventories in the near future as part of its ongoing land use planning activities. Moreover, the results of the inventories will be coordinated with any future amendments of the Land Use Element.

Land Acquisition -- Vacant Sites

This program attempts to assure an adequate supply of housing sites by the actual acquisition of land. As revenues become available, the City has attempted to secure such funds for this activity. For example, the City has obtained some \$300,000 of special allocation CDBG funds for the acquisition of property located at Orangethorpe Avenue and Imperial Highway. This land, in turn, will be used for the development of 40 Section 8 New Construction rental housing units.

Land Acquisition -- Infill and New Construction

This program involves the acquisition of individual sites on a scattered or contiguous basis within the City's CDBG Target Area, particularly the Central City Area. These sites then will be made available for the development of affordable housing through land cost write-downs and use of the Section 235 homeownership program. The City's three-year goal for 235 housing is 105 housing units (i.e., July 1, 1979 to June 30, 1982).

Land Use Element and Zoning Ordinance

A range of housing opportunity and choice suitable to the needs of all economic segments of the Anaheim community is provided for by the City's Land Use Element and Zoning Ordinance. The City's Land Use Element has seven categories of residential land use. The "low-medium density" category allows up to 18 dwelling units per acre, while the "medium density" category allows up to 36 dwelling units per acre. The City's Zoning Ordinance reinforces the objectives of the Land Use Element by permitting several housing types in 11 residential zones.

Single family homes are allowed on lots ranging in size from 5,000 to 43,000 square feet. The minimum floor area requirements for single family homes range from a low of 1,225 square feet (all zones except RS-HS-22,000 and RS-10,000) to a high of 1,700 square feet.

Multi-family homes are allowed in three zones on lots ranging from 1,200 to 3,000 square feet. The minimum floor area requirements range from a low of 700 square feet to a high of 1,350 square feet (4-bedroom unit in the RM-3,000 zone). For single and multiple-family developments, the lot area and floor area standards assure a range of "housing opportunity and choice." Various housing types and sizes can be constructed by the private sector.

Additional "opportunity and choice" is permitted by the Zoning Ordinance through the provision of mobile home parks for rental occupancy and mobile home subdivisions for owner occupancy in four residential zones and six commercial zones. (Such development in these 10 zones is allowed by conditional use permit.) In addition, mobile home parks (but not subdivisions) are permitted by conditional use permit in the RS-A-43,000 Residential/Agricultural Zone and the MH and ML Industrial Zones. In connection with "mobile home subdivisions," it should be noted that new development is allowed as well as the conversion of existing mobile home parks to subdivisions.

PROGRAMS TO BE IMPLEMENTED

"Pre-Selecting" Affordable Housing Sites

The concept suggests that the City identify some privately owned land that may be eligible for housing assistance through the provisions of one or more Federally-aided programs. If approved, such sites have a higher probability of obtaining housing assistance funding approval. *The City intends to test the workability of this idea in its future revisions of the Community Development Block Grant Program and Housing Assistance Plan.*

Implementation of AB1151

AB1151 was enacted last year as urgency legislation. That bill embodies several changes to California housing law. Most noteworthy is the provision for "density bonuses" when a developer agrees to construct at least 25% of the units in a development for low- and moderate-income persons and families, as defined by State law. This bill also identifies other incentives that may be agreed to by the City instead of, or as a supplement to, density bonuses. These include the following:

- Exemption from local park requirements.
- Land value or land cost write-downs.
- Construction of public improvements which may include, but shall not be limited to, streets, sewers and sidewalks.
- Exemption of the development from any provision of local ordinances which may cause an indirect increase in the cost of housing units to be developed.

The City intends to investigate alternative methods of developing a program to implement AB1151.

"Second Units"

"Second units" are a way of enlarging the supply of available sites on already developed land. "Second units" may be defined as any dwelling

unit found on a lot in a single-family neighborhood in addition to the main residence. Second units are typically small and consist of studio, one- or, at most, two-bedroom units. Because of their size, they are especially well suited for one- and two-person households. In certain areas of the City, it may be possible to promote this form of development by allowing CDBG-funded rehabilitation loans and grants.

This idea has been placed in the "intend to implement" category. The City Council, however, may desire that certain aspects be analyzed in more complete detail. The City Council may direct that studies must be undertaken on the locational criteria and development standards which should be applied on the construction of "second units."

Additional topics for further study that the City Council could authorize include an evaluation of whether a separate zone for "second units" should be established or if they should be permitted subject to a conditional use permit. The City Council also could authorize an analysis of the impacts of the added density of "second units" in existing neighborhoods.

Residential/Commercial Development

This concept refers to the development of commercial and residential uses within the same building. (An example of this development type is "Old World" in Huntington Beach.) The Advisory Committee believes that this development type could offer opportunities for reducing the cost of housing and making more land for housing in otherwise exclusive commercial zones. Although this concept has been placed in the "intend to implement" category, some additional research must be completed for purposes of formulating development policies and standards.

ADEQUATE PROVISION FOR HOUSING NEEDS

Section 6460 of the Guidelines states the following:

Adequate provision for the housing needs of all economic segments of the community requires each locality, through its housing element, to make a good faith, diligent effort to provide opportunities for and to facilitate the maintenance, improvement and development of an appropriate variety and choice of housing for all economic segments of the community, consistent with its identified need and fair share responsibilities. A locality is not required to undertake programs which are economically infeasible in order to make a good faith, diligent effort. Such effort, however, must emphasize the use of those public powers which impact on site-built and factory-built housing and mobile-homes, including but not limited to land use controls, development controls, and regulatory concessions and incentives. Such effort must also include a commitment to pursue and cooperate in available federal and state housing programs or indicate the manner in which the locality intends to address its housing needs without such assistance. (Emphasis added)

PROGRAMS IN THE PROCESS OF BEING IMPLEMENTED

Section 8 Existing Housing

A principal component of Anaheim's housing strategy is the Section 8 Existing Housing Assistance Payments Program. That program already has assisted an estimated 1,650 households and another 1,252 are planned to be aided over the next three years. With these two actions, about 22% of the entire need and 30% of the renter household need will be met by mid-year 1982. For income-eligible families, the Section 8 program aims to alleviate the problem of overpaying since lower income families must pay at least 15% but not more than 25% of family income toward rent.

California Housing Finance Agency

Another program effort of the City is that which depends upon funding from the California Housing Finance Agency (CHFA). That agency,

through its bond program, provides for below market interest rate mortgage loans (i.e., 9%). This CHFA program helps to meet the goals of housing and neighborhood preservation as well as the adequate provision for housing needs. The principal features of this program have been described earlier (California Housing Finance Agency Loan Program section).

Rent Stabilization

Several of the actions recently taken by the City Council are aimed at reducing the pressures for escalating apartment rents and thus contributing to making adequate provision for housing needs. These actions include the multi-family residential rehabilitation program, mobile home subdivisions, Section 8 program, affordable housing incentives, condominium conversions, and the new construction program. In practically every instance where the City has some direct participation in funding or aiding of the provision of housing, a principal aim is to stabilize or otherwise reduce pressures for rent increases within the existing stock of rental units.

Section 235 Home Ownership

This program provides assistance in the form of monthly payments by HUD-FHA to the mortgagee to reduce interest costs on an insured market-rate home mortgage to as low as those costs that would be charged on a mortgage with a 4% interest rate. In effect, this program provides a form of below market interest rate mortgage financing. In this program, the amount of the monthly subsidy will vary according to the income of each homeowner and the total amount of the mortgage payment at the market rate of interest. Family income and mortgage limits to establish eligibility are set for each locality. Assistance through the Section 235 program is provided as part of the City land acquisition programs -- vacant sites and infill/new construction. The three-year goal is 135 housing units to be built within the Central City Neighborhood Strategy Area.

Section 8 New Construction

The City has established a three-year goal of 595 Section 8 new construction rental housing units. In its Housing Assistance Plan, the City has anticipated that the proposed new Section 8 units will be submitted for proper approval from HUD prior to construction. (About 250 of the 595 dwelling units also will be aided through the provisions of the Section 202 program. That program, which provides for direct construction loans, is explained on page V-23).

Affordable Housing Incentives

The City is now in the process of implementing this program which offers a range of incentives for private sector involvement in the production of new, affordable mobile home park and rental housing. These incentives are applied on the basis of individual project merit and may include one or more of the following incentives:

- Planning/Architectural costs
- Reimbursement of processing and development fees
- Defraying site preparation costs
- CHFA financing (i.e., new construction)
- Land value write-downs
- Density bonuses
- Priority plan check

This program may be augmented by other recommendations of the Housing Element; for example, Section 8 housing assistance and reduced minimum floor area requirements. In the future, the City also may consider expanding the program into the homeownership market.

PROGRAMS TO BE IMPLEMENTED

Condominium Conversions

It is the City's policy to consider the conversion of apartments to condominiums as presenting an opportunity to create affordable *homeownership* housing and as a means of mitigating escalating rents.

Furthermore, the City believes that condominium conversions should be permitted if two problems associated with the conversion process can be mitigated -- the displacement of renter households and the loss of rental stock.

Existing multi-family rental housing is protected from conversion to condominiums by the Zoning Ordinance. Although no explicit conversion protection is provided, the Ordinance requires that all existing apartments proposed for conversion must conform to the RM-3,000 zone standards. These standards are so different from the RM-1,200 standards to which most of the existing multi-family rental housing has been developed that modification to comply with the RM-3,000 zone standards makes conversion practically infeasible. Usually, variances from present development standards are necessary before a conversion project becomes feasible.

In November 1979, the City granted the variances required for a proposed condominium conversion contingent upon the owner complying with the sales prices and other conditions negotiated with the City. The following is a summary of the conditions to which the project sponsor has agreed in order to convert the apartments to condominiums.

- 48 units would be sold to investor-owners and would be reserved as rentals for the Anaheim Housing Authority under the Section 8 Moderate Rehabilitation Program for 15 years. These units are to be offered on a priority basis to the apartment tenants who do not qualify to purchase units. The tenants who qualify for this rental program will pay between 15% and 25% of their income on rent, thus making their monthly payments more affordable.
- 42 units would be sold under the CHFA program at sales prices ranging from \$35,000 to \$54,000 at an interest rate of 9%.
- An additional 40 units would be sold at Below Market Interest Rates at sales prices ranging from \$55,000 to \$59,000.
- 98 units would be sold at market interest rates and at market sales prices.

This approach to the issue of condominium conversions accomplishes the following objectives: 1) creates affordable homeownership housing, 2) controls escalating rents and 3) achieves the rehabilitation of the existing apartment stock. These objectives are achievable because of the funding sources used and because specific project conditions are negotiated between the City and developer. The City, if warranted, would revise the regulatory process as regards condominium conversions in order to:

- Establish criteria for the conversion of the existing multiple-family rental housing to condominiums.
- Reduce the impact of such conversions on tenants in rental housing who may be required to relocate due to the conversion of apartments to condominiums, by providing for procedures for notification and adequate time and assistance for such relocation.
- Insure that converted housing achieves a high degree of appearance, quality, and safety as is consistent with the goals of the City.
- Attempt to provide a reasonable balance of ownership and rental housing in Anaheim and a variety of choices of tenure, type, price, and location of housing.
- Attempt to maintain a supply of rental housing for low- and moderate-income persons.

CHFA Direct Lending

This program is intended to augment present activities directed at providing for the housing needs of all economic segments. This direct lending program makes construction loans of up to 95% to profit-motivated developers, and up to 100% to nonprofit and public agencies for development of multi-family, mixed income projects and housing for the elderly. Each project must contain both units offered at the market rate and those assisted through the Section 8 program. By law, at least 30% of the units must be for very low income households (i.e., those with incomes not exceeding 80% of the area median income). Up to 49% of the units in a project can be occupied by low income households without requiring a referendum. A referendum, however, is

required if 50% or more of the units are to be occupied by low income households. *The City intends to implement this program if sufficient financial resources are available.*

Section 202 Elderly Housing

The City also intends to encourage and assist the private sector in its efforts to develop what is called Section 202 Elderly housing. That program provides direct Federal construction loans for elderly and handicapped projects. These loans may be used only to finance the construction or substantial rehabilitation of housing that will meet the requirements of the Section 8 housing assistance payments program. The advantage of this program is interim financing at rates below the current market interest rate levels of 18% to 21%. The City has a three-year goal of 250 rental units to be assisted under the provisions of the Section 202 program.

Cooperative Housing

Encouragement of cooperative housing is another program that the City intends to implement as part of its strategy to meet housing needs. Cooperatives are a different form of homeownership in that the cooperative corporation holds title to the dwelling units and directly assumes the mortgage, tax and other obligations necessary to finance and operate the development, thereby relieving the members of any direct liability for those items. The rights and obligations of the member to the corporation and the corporation to the member are spelled out in an occupancy agreement. That agreement basically gives each member an exclusive right to occupy a unit, participate in the government of the corporation, receive tax benefits and equity increases in return for the financial and personal support of the corporation. The occupancy agreement, together with the membership certificate, is the basis of cooperative ownership.

The Department of Housing and Urban Development insures project mortgages on cooperative housing under Section 213 and Section 221(d)(3) of the National Housing Act. The residents of a cooperative housing

development may obtain assistance through the provisions of the Section 8 and Section 235 programs.

Shared Equity

This program primarily involves the sharing of equity in the ownership of a home. That shared equity is in the form of partial contribution toward the downpayment requirements in the purchase of a single-family dwelling. The City is considering participation in the shared equity concept through available State programs (i.e., AB333) and also plans to promote the idea among major industrial firms for the benefit of their existing and future employees.

Graduated Payment Mortgage

Another method of fostering homeownership that the City intends to encourage is the graduated payment mortgage (GMP) plan. Under a GMP plan the prospective homeowner, in effect, borrows extra money during the early years of the mortgage which is used to reduce immediate monthly payments. This additional loan is then added to the outstanding mortgage balance and is repaid by increasing payments made in later years. This program is designed to be helpful to a particular group of prospective homeowners -- those whose incomes are insufficient to meet standard mortgage payments but who have every expectation their incomes will increase substantially over the next five to ten years. This program can be combined with other approaches such as the CHFA program to expand the range of homeownership opportunities in the City of Anaheim.

Density Bonus

As explained under the category of "adequate sites," the City intends to establish a program to implement AB1151. One explicit aim of that program is to enlarge the City actions which contribute to the adequate provision of housing. The density bonus incentive may be implemented separately or in conjunction with other actions, such as the affordable housing incentive program.

Public Housing

This program involves the actual ownership of rental, residential property by the City of Anaheim Housing Authority. Before such new housing may be developed and owned by the Housing Authority, voter approval must be secured through the referendum process. That referendum process is mandated by Article XXXIV of the California Constitution for certain kinds of low-income housing.

The Citizens Advisory Committee recommended that this program be placed in the "intend to implement" category subject to the following limitations: 1) restrictions on the number of units to be built within designated areas; 2) development of new units on scattered sites; and 3) compatibility of new development with existing neighborhood environments.

Prior to adoption of the Housing Element, the City Council authorized an Article XXXIV referendum. As part of that authorization, the City Council limited housing that is subject to such a referendum to no more than 5% of the housing stock. Although voters have approved an Article XXXIV referendum, the exact nature of public housing has yet to be decided.

PROGRAMS WHICH NEED FURTHER STUDY

Rent Stabilization/Rent Control Monitoring

Rent control is an action that has been tried in some southern California communities. Through rent control, limitations are placed on the amount by which private owners can increase monthly rents on existing apartment buildings. Usually, these limitations are expressed on a percentage basis and tied to the consumer price index. Unlike the City's rent stabilization policy [which affects only those units which the City has assisted in some form], rent control normally encompasses all privately owned rental housing units.

As yet, it is still too soon to make a decision on whether such an action is one that would have utility in the City of Anaheim.

Consequently, the City will monitor the impacts and effects of rent control ordinances as well as other rent stabilization policies which are being implemented elsewhere in the State of California. Information on such impacts and effects will be presented to the Planning Commission and City Council as well as any changes to State law, as appropriate.

SB99 Redevelopment Construction Loans

This bill empowers redevelopment agencies to issue revenue bonds for the purpose of generating revenues to finance residential construction in redevelopment areas. The bill authorizes redevelopment agencies to make long-term, low-interest loans (through qualified mortgage lenders) for construction and mortgage loans to purchasers of newly constructed residences. Although the construction of assisted housing for low and moderate-income households is not a primary purpose of this bill, such housing may be financed when it is consistent with the redevelopment plan.

This program, if it becomes available, may be used in conjunction with some of the other City programs such as: infill-new construction; Section 8 new construction; and affordable housing incentives. The SB99 approach is now being seriously considered and analyzed by the Redevelopment Agency and City Council. However, Congressional actions must be closely monitored since legislation may be enacted that would render such revenue bond programs as SB99 practically infeasible.

PRESERVATION OF AFFORDABLE HOUSING

Section 6454 of the State Housing Element Guidelines (HEG) states the following:

In areas where actions are aimed at conserving or expanding the supply of sound housing, the effect of such actions on housing affordability should also be evaluated The housing program shall emphasize the importance of preserving affordability at the same time condition is being improved or maintained Where the conversion of mobilehome parks to other uses and of rental housing to condominiums and stock co-operatives may diminish the supply of affordable housing, the effects of such actions should be evaluated and actions taken to preserve affordability.

PROGRAMS IN THE PROCESS OF BEING IMPLEMENTED

Multi-Family Rehabilitation

The rehabilitation aspects of this program were described earlier. This program also attempts to preserve affordability at the same time housing conditions are being improved. In the implementation of this program, the City requires that the property owner not raise his rents above a negotiated rental rate for a period of five years. This negotiated rental rate increase is computed on the basis of owner costs and adding the cost of amortizing the new debt (i.e., loan). These rate increases may be changed from time to time but not above the Section 8 "existing" Fair Market Rents. The "affordability" aspect of the Multi-Family Rehabilitation Program is enforced by an agreement that the owner signs and it is then recorded with the County Recorder as a covenant or deed restriction against the property.

Rebates

A rebate program is one of the City's ongoing neighborhood preservation programs. Since the participants obtain a (maximum) \$500 rebate after improvements have been made, this program helps to preserve affordability.

Deferred Loans

The deferred loan program is another of the City's ongoing neighborhood preservation programs. This program helps to meet the needs of income-eligible families who are unable to qualify for bank loans. Because the loans are not due and payable until the rehabilitated property is sold or title otherwise transfers from the borrowers, affordability is preserved while housing conditions are being improved. Funding for this program is derived from City of Anaheim CDBG funds.

Rent Stabilization

As reported earlier, several of the City's programs have been established to stabilize the rent structure in the City. These programs also have the purpose of helping to preserve the affordability of the existing housing stock in the City.

PROGRAMS TO BE IMPLEMENTED

Condominium Conversions

As noted earlier, the revisions to the regulatory process affecting the conversion of apartments to condominiums is a program which is to be implemented. In the demonstration project approved in November 1979, the City will require resale controls to prevent speculation and windfall profits. The controls will be administered as follows: the difference between the Market Rate and Below Market Rate sales prices will be established as a 2nd trust deed or as a lien on the property, forgivable at 20% increments in five years. Resale controls will be further analyzed during the process of preparing any revisions to the regulatory process affecting condominium conversions. That analysis of the condominium conversion process also will address the nature and scope of potential actions which could be taken to preserve affordability where the conversion of mobilehome parks to other uses may diminish the supply of affordable housing.

ACCESSIBLE HOUSING

Section 6458 of the State Housing Element Guidelines states the following:

The locality should, through its housing program, seek to reduce the effects of discrimination in housing based on race, color, religion, sex, family size, marital status, national origin, ancestry or other arbitrary factors and to provide safeguards against future discrimination in housing.

Although State law prohibits local governments from enacting discrimination ordinances, the City has developed some programs which aim to assure housing accessible to everyone and to meet related special needs.

PROGRAMS IN THE PROCESS OF BEING IMPLEMENTED

Fair Housing

As part of its Community Development Block Grant Program, the City has funded (\$15,000) the Orange County Fair Housing Council. This program makes available expert advice on all housing issues of discrimination and tenant/landlord disputes. In addition, on a monthly basis, Fair Housing workshops are conducted throughout the community.

Spatial Deconcentration

Making housing accessible for low-income persons and minorities throughout the community has occurred and will continue to occur in the future. Housing is made accessible to these population segments through several programs, such as the acquisition and write-down program; investor rehabilitation loan program; and Section 8 existing, moderate rehabilitation and new construction programs. These programs, as well as others implemented by the City, help to provide housing outside of impacted areas and to meet the mobility needs of the City's lower income households and minority population.

Special Counseling

Through this program the City conducts workshops specifically oriented to assisting and otherwise helping to meet the needs of single-parent heads of households. The Housing Authority staff also provides pre-homeownership counseling, financial/credit counseling and other needed counseling services.

Barrier Removal

As part of its Community Development Block Grant Program, the City has allocated some \$44,000 for the removal of architectural barriers for the benefit of the community's handicapped population. These resources will be expended within the City's CDBG Target Area over the next three years. In conjunction with these activities, the City anticipates funding 53 rehabilitation loans on a priority basis to owners needing to remove barriers to the handicapped in order for them to rent through the Section 8 program to this population segment.

PROGRAMS WHICH NEED FURTHER STUDY

Fair Housing for Children

Within the scope of the policy area of "accessible housing," the Advisory Committee discussed the housing needs of families with children. The committee agreed that some consideration should be given to families having children. Among the alternatives considered were: 1) limiting the percent of rental units which could exclude families with children; and 2) restrict the ability of developers to build adults-only apartment buildings.

The Advisory Committee believed that these alternatives, among others, should be studied further in an effort to provide housing accessible to families with children. An evaluation of appropriate alternatives together with any changes in State law should be presented to the Planning Commission and City Council, when appropriate.

Exhibit V-3
City of Anaheim Housing Program Summary

**A. HOUSING PROGRAMS
IN THE PROCESS
OF BEING IMPLI-
MENTED**

	POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE(S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
1. Neighborhood Clean-up Campaigns	• Preservation of Housing and Neighborhoods	• Several residential blocks in the City are to be selected for participation in this program	• Block clean-up parties • Placement of addi- tional drop-off bins in selected residential blocks	• Community De- velopment Block Grants	• City of Anaheim, Community De- velopment Depart- ment	• Ongoing program
2. Youth Paint and Pick-up	• Preservation of Housing and Neighborhoods	• Improve mainten- ance levels in several residential neighborhoods	• Dwellings are painted • Landscaping is maintained • Grants to cover the material costs are provided by the City to income- eligible participants • Maximum amount of a grant is \$500	• Community De- velopment Block Grants (materials) -- \$109,300 • Neighborhood Youth Corps Funds (youth workers) • CETA (Instruc- tors)	• City of Anaheim, Community De- velopment Depart- ment	• Ongoing program
3. Code Enforcement	• Preservation of Housing and Neighborhoods	• Inspection of 2,100 to 2,400 housing units for possible code violations	• Inspection of sus- pected violations in structures located within the Neighbor- hood Strategy Areas and designated as Target Areas • Enforcement of the Housing Code Ord- inance	• Community De- velopment Block Grants -- \$87,000	• City of Anaheim, Community De- velopment Depart- ment	• Achievement of Objective by June 1982 (3- year time span)
4. Rebates	• Preservation of Housing and Neighborhoods • Preservation of Affordable Hous- ing	• Provide financial incentives for private investment in housing repair and maintenance	• Rebate on the amount invested by participants with their own income • Amount of the rebate is graduated according to income • Maximum amount of a rebate is \$500	• Community De- velopment Block Grants -- \$40,000	• City of Anaheim, Community De- velopment Depart- ment	• Ongoing program

A. HOUSING PROGRAMS
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	POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE(S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
5. Deferred Loans	<ul style="list-style-type: none"> • Preservation of Housing and Neighborhoods • Preservation of Affordable Housing 	<ul style="list-style-type: none"> • Rehabilitation of 20 housing units 	<ul style="list-style-type: none"> • "Last resort" method of rehabilitation financing when property owner cannot afford monthly payments • Loan payments are deferred until the property is transferred or when the loan is due 	<ul style="list-style-type: none"> • Community Development Block Grants -- \$80,000 • Deferred Payment Rehabilitation Loan Program (State) -- \$160,000 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> • Achievement of objective by June 1982 (2-year time span)
6. Housing Repair	<ul style="list-style-type: none"> • Preservation of Housing and Neighborhoods 	<ul style="list-style-type: none"> • Completion of project begun in late 1979 • 79 homes rehabilitated since program inception 	<ul style="list-style-type: none"> • A maximum of \$5,000 per house is available to finance necessary housing code-related repair work • Cost of repairs is made into a lien which becomes a grant if the occupant remains the owner for 5 years 	<ul style="list-style-type: none"> • Community Development Block Grants -- \$157,800 	<ul style="list-style-type: none"> • City of Anaheim, Manpower Division 	<ul style="list-style-type: none"> • Completion of program once current year funds ('79-'80) are expended
7. Low Interest Loans	<ul style="list-style-type: none"> • Preservation of Housing and Neighborhoods 	<ul style="list-style-type: none"> • Rehabilitation of owner-occupied and rental housing 	<ul style="list-style-type: none"> • Rehabilitation financing with below market interest rates (3%-5%) • Loan origination and servicing is through local lending institutions 	<ul style="list-style-type: none"> • Community Development Block Grants -- \$492,000 (includes #8 & #9 below) 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> • Ongoing programs, scheduled completion is June 1985
8. Multi-family Rehabilitation	<ul style="list-style-type: none"> • Preservation of Housing and Neighborhoods • Preservation of Affordable Housing 	<ul style="list-style-type: none"> • Rehabilitation of 700 investor-owned rental housing units 	<ul style="list-style-type: none"> • Interest reduction payments to lower interest paid by borrower to 7% below market rates • Low income tenants are assisted by the Section 8 program 	<ul style="list-style-type: none"> • Community Development Block Grants -- \$492,000 (includes #7 above & #9 below) • Section 8 Housing Assistance Payments 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department • City of Anaheim, Housing Authority 	<ul style="list-style-type: none"> • Recently initiated, schedule goal achievement is June 1982

A. HOUSING PROGRAMS IN THE PROCESS OF BEING IMPL- MENTED	POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE(S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
9. California Housing Finance Agency (CHFA) Loan Program	<ul style="list-style-type: none"> • Preservation of Housing and Neighborhoods • Adequate Provision for Housing Needs 	<ul style="list-style-type: none"> • Rehabilitation of 205 owner-occupied housing units 	<ul style="list-style-type: none"> • Below market interest rate (9%) loans are available from CHFA • Interest rate write-downs are available from the City 	<ul style="list-style-type: none"> • California Housing Finance Agency (revenue bond proceeds) • Community Development Block Grants -- \$492,000 (includes #7 & #8 above) 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> • Ongoing program; scheduled completion is June 1982
10. Moderate Rehabilitation	<ul style="list-style-type: none"> • Housing and Neighborhood Preservation 	<ul style="list-style-type: none"> • Rehabilitation of 684 rental housing units 	<ul style="list-style-type: none"> • Minimum expenditure of \$1,000 per unit to qualify for moderate rehabilitation • Housing assistance payments on behalf of income-eligible families once units are rehabilitated 	<ul style="list-style-type: none"> • Section 8 housing assistance • Public and private rehabilitation financing is possible 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department • U.S. Department of Housing & Urban Development 	<ul style="list-style-type: none"> • Achievement of objective by mid-year 1982
11. Section 312 Rehabilitation	<ul style="list-style-type: none"> • Housing and Neighborhood Preservation 	<ul style="list-style-type: none"> • Rehabilitation of 40 owner-occupied housing units 	<ul style="list-style-type: none"> • Below market interest rate loans • Loan amount ceilings established for this program 	<ul style="list-style-type: none"> • U.S. Department of Housing & Urban Development 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department • U.S. Department of Housing & Urban Development 	<ul style="list-style-type: none"> • Achievement of objective by mid-year 1982
12. Acquisition with Rehabilitation	<ul style="list-style-type: none"> • Housing and Neighborhood Preservation 	<ul style="list-style-type: none"> • Rehabilitation of housing on a scattered site basis in the CDBG Target area 	<ul style="list-style-type: none"> • Acquisition of land parcels currently unimproved or underdeveloped • Rehabilitation of housing (at site or move on and sale to low and moderate income applicants) 	<ul style="list-style-type: none"> • Community Development Block Grants -- \$850,000 (includes #13 below) 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> • Expenditure of funds and housing rehabilitation by mid-year 1982

A. HOUSING PROGRAMS IN THE PROCESS OF BEING IMPLEMENTED						
	POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE(S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
13. Acquisition with Replacement	• Housing and Neighborhood Preservation	• Elimination of housing too deteriorated to rehabilitate	• Acquisition of land parcels having housing unsuitable for rehabilitation • Development of new housing affordable to low and moderate income households	• Community Development Block Grants -- \$850,000 (includes #12 above)	• City of Anaheim, Community Development Department	• Expenditure of funds and housing replacement by mid-year 1982
14. Neighborhood Improvements	• Housing and Neighborhood Preservation	• Street light improvements and alley repairs in four CDBG Target Areas • Park facilities will be provided in four CDBG Target Areas	• Scheduling and completing repairs and improvements	• Community Development Block Grants -- \$1,356,650	• City of Anaheim, Community Development Department	• Achievement of planned neighborhood improvements by June 1982
15. Land Acquisition -- Vacant Sites	• Standards and Plans for Adequate Housing Sites	• Construction of 40 units affordable to low and moderate income households	• Land acquisition of vacant sites • Sale of property through a write-down contingent upon development of affordable housing	• Community Development Block Grants -- \$300,000	• City of Anaheim, Community Development Department	• Acquisition of land is complete • Development and occupancy of all housing by mid-year 1982
16. Land Acquisition -- Infill & New Construction	• Standards and Plans for Adequate Housing Sites	• Development of affordable housing units on acquired lots	• Land acquisition on a scattered site basis • Development of new, affordable ownership housing	• Community Development Block Grants -- \$100,000 • Section 235 housing assistance payments	• City of Anaheim, Community Development Department	• Acquisition completed on the first six lots for this project • Development of new housing by June 1982
17. Land Use Element & Zoning Ordinance	• Standards and Plans for Adequate Housing Sites	• Continued provision of housing opportunity and choice through land use planning and development controls	• Implementation of the Land Use Element of the General Plan • Enforcement of the Zoning Ordinance	• City of Anaheim, Annual Municipal Budget	• City of Anaheim, Planning Department	• Ongoing

A. HOUSING PROGRAMS
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	POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE(S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
18. Section 8 Existing Housing	<ul style="list-style-type: none"> • Adequate Pro- vision for Housing Needs 	<ul style="list-style-type: none"> • Housing assistance to 2,050 lower in- come families in existing standard housing 	<ul style="list-style-type: none"> • Determination of Income eligibility • Housing assistance payments on behalf of eligible families 	<ul style="list-style-type: none"> • U.S. Department of Housing and Urban Development (Section 8 housing assistance payments) 	<ul style="list-style-type: none"> • City of Anaheim, Housing Authority 	<ul style="list-style-type: none"> • Ongoing
19. Rent Stabilization	<ul style="list-style-type: none"> • Adequate Provision for Housing Needs • Preservation of Affordable Housing 	<ul style="list-style-type: none"> • Reduce the pres- sures on escalat- ing rents 	<ul style="list-style-type: none"> • Rent stabilization is a principal aim of programs that the City has some direct participation in funding or aid- ing • Policy and programs are implemented as part of separate housing programs 	<ul style="list-style-type: none"> • Tied to programs such as multi-family rehabilitation 	<ul style="list-style-type: none"> • City of Anaheim, Housing Authority • City of Anaheim, Community Develop- ment Department • City of Anaheim, Planning Depart- ment 	<ul style="list-style-type: none"> • Ongoing/ tied to implementa- tion of programs such as multi- family rehabili- tation
20. Section 235 Home Owner- ship	<ul style="list-style-type: none"> • Adequate Provision for Housing Needs 	<ul style="list-style-type: none"> • Production of 135 housing units to be assisted by this program 	<ul style="list-style-type: none"> • Coordination with infill/new construc- tion programs • Housing assistance payments on behalf of income eligible families 	<ul style="list-style-type: none"> • U.S. Department of Housing & Urban Development (Sec- tion 235 housing assistance pay- ments) 	<ul style="list-style-type: none"> • City of Anaheim, Community Develop- ment Department 	<ul style="list-style-type: none"> • Achievement of objective by June 1982
21. Section 8 New Construction	<ul style="list-style-type: none"> • Adequate Provision for Housing Needs 	<ul style="list-style-type: none"> • Production of 595 affordable rental housing units 	<ul style="list-style-type: none"> • Construction of new housing that meets the criteria of the City of Anaheim & U.S. Department of Housing & Urban Development • Housing assistance payments on behalf of eligible families 	<ul style="list-style-type: none"> • U.S. Department of Housing & Urban Development (Sec- tion 8 housing assistance pay- ments) 	<ul style="list-style-type: none"> • City of Anaheim, Community Develop- ment Department 	<ul style="list-style-type: none"> • Achievement of objective by June 1982

**A. HOUSING PROGRAMS
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MENTED**

	POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE(S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
22. Affordable Housing Incentives	• Adequate Provision for Housing Needs	• Production of 160+ housing units affordable to low and moderate in- come households	<ul style="list-style-type: none"> • Provision of incen- tives for the pro- duction of new, affordable mobile home park housing • Provision of incen- tives for the pro- duction of new, affordable rental housing • Incentives include items such as priority plan check, land value write-downs, density bonuses, etc. 	<ul style="list-style-type: none"> • City of Anaheim, Annual Municipal Budget • California Housing Finance Agency (below market rate permanent finan- cing) • U.S. Department of Housing & Urban Development (Sec- tion 8 Housing Assistance Pay- ments) 	<ul style="list-style-type: none"> • City of Anaheim, Community Develop- ment Department • City of Anaheim, Planning Depart- ment • City of Anaheim, Housing Authority 	• Achievement of objective is scheduled for mid-year 1982
23. Fair Housing	• Provision of Accessible Housing	• Encourage and facilitate the practice of fair & open housing to all	• Contract with Orange County Fair Housing Council to counsel Section 8 recipients & to provide for assis- tance and education to Anaheim residents on fair housing issues	• Community Develop- ment Block Grants -- \$19,000 over life of program (begun in 3rd year of H/CDA program)	<ul style="list-style-type: none"> • City of Anaheim, Community Develop- ment Department • Orange County Fair Housing Council 	• Ongoing
24. Spatial Decon- centration	• Provision of Accessible Housing	• Prevent or dis- courage a concen- tration and/or se- gregation of persons based on income or race	• Use of Section 8 and other program funds to help provide hous- ing outside of impact- ed areas and to meet the mobility needs of the City's lower income households & minority popula- tion	• Community Develop- ment Block Grants	• City of Anaheim, Community Develop- ment Department	• Ongoing; tied to funding for specific pro- grams

A. HOUSING PROGRAMS
IN THE PROCESS
OF BEING IMPL-
MENTED

	POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE(S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
25. Special Counseling	<ul style="list-style-type: none"> • Provision of Accessible Housing 	<ul style="list-style-type: none"> • Assist special need households • Provide housing education 	<ul style="list-style-type: none"> • Provide counseling and education on housing maintenance financial management and homeownership primarily in the Target Area 	<ul style="list-style-type: none"> • Community Development Block Grants -- \$28,800 since program inception (now handled by Housing Rehabilitation staff) 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> • Ongoing
26. Barrier Removal	<ul style="list-style-type: none"> • Provision of Accessible Housing 	<ul style="list-style-type: none"> • Removal of barriers to the handicapped 	<ul style="list-style-type: none"> • Priority funding for 53 rehabilitation loans to owners needing to remove barriers to the handicapped 	<ul style="list-style-type: none"> • Community Development Block Grants -- \$100,000 since program start-up 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> • Ongoing

B. HOUSING PROGRAMS TO BE IMPLEMENTED	RELATED POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE(S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
1. Substantial Rehabilitation	• Housing and Neighborhood Preservation	• Rehabilitation of 75 to 100 housing units (upon imple- mentation)	• Rehabilitation of housing units which requires more than routine or minor repairs • Renovation, altera- tion or remodeling of structurally sound property for use under the Sec- tion 8 program	• Public and private rehabilitation finan- cing • Section 8 housing assistance payments	• City of Anaheim, Community Develop- ment Department • U.S. Department of Housing & Urban Development	• Funding appli- cation to be prepared and submitted with- in one year • Rehabilitation of housing units by mid-1983
2. Acquisition with Rehabilitation (Public Housing)	• Housing and Neighborhood Preservation	• Rehabilitation of 100 to 150 housing units (upon imple- mentation)	• Acquisition of hous- ing by the City Housing Authority • Rehabilitation of acquired property prior to occupancy by lower income families	• U.S. Department of Housing & Urban Development	• City of Anaheim, Housing Authority	• Funding applica- tion to be pre- pared and sub- mitted within one year • Rehabilitation of housing units by mid-year 1983
3. Residential Rehabilitation (Marks-Foran)	• Housing and Neighborhood Preservation	• Rehabilitation of 300 to 350 housing units (upon imple- mentation)	• Preparation and completion of tax exempt revenue bond issue • Through proceeds, provision of resi- dential rehabilita- tion financing	• Tax exempt revenue bond proceeds pursuant to Marks-Foran program	• City of Anaheim	• Preparation & completion of a bond issue with- in six months to one year (9/80) • Rehabilitation of target number of units by mid- year 1984
4. "Pre-Selecting" Affordable Housing Sites	• Standards and Plans for Ade- quate Housing Sites	• Identification of potential sites for new, afford- able housing	• Identification of vacant or under- developed sites which satisfy HUD/CHFA criteria • Submittal of sites to HUD to secure pre-selected status • Incorporation of pre-selected sites in Housing Assis- tance Plan	• Community Develop- ment Block Grants • City of Anaheim, Annual Municipal Budget	• City of Anaheim, Planning Depart- ment	• Site identifica- tion within six months to one year • Achievement of pre-selected status within 18 months for one or more sites

B. HOUSING PROGRAMS TO BE IMPLEMENTED	RELATED POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE(S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
5. Site Inventories	<ul style="list-style-type: none"> Standards and Plans for Adequate Housing Sites 	<ul style="list-style-type: none"> Identification of vacant sites suitable for new, affordable housing 	<ul style="list-style-type: none"> Inventory "by-passed" parcels Inventory surplus public land 	<ul style="list-style-type: none"> Community Development Block Grants City of Anaheim, Annual Municipal Budget 	<ul style="list-style-type: none"> City of Anaheim, Planning Department City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> Completion of site inventories in one year (9/81) Production of units over next three to five years)
6. Implementation of AB1151	<ul style="list-style-type: none"> Standards and Plans for Adequate Housing Sites 	<ul style="list-style-type: none"> Preparation of a program to implement AB1151 (density bonus plus other incentives) Production of 1,050 housing units for lower income households (upon program implementation) 	<ul style="list-style-type: none"> Investigate alternative methods of developing a program to implement AB1151 	<ul style="list-style-type: none"> Community Development Block Grants City of Anaheim, Annual Municipal Budget 	<ul style="list-style-type: none"> City of Anaheim, Planning Department City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> Completion of program in near-term (six months) Production of units over next three to five years
7. "Second Units"	<ul style="list-style-type: none"> Standards and Plans for Adequate Housing Sites 	<ul style="list-style-type: none"> Consideration of practical methods to promote "second units" (see text for definition of term) Production of 1,192 housing units for lower income households upon establishment of procedures 	<ul style="list-style-type: none"> Review locational criteria and development standards Analyze impacts of added density in existing neighborhoods Establish procedures for allowing second units 	<ul style="list-style-type: none"> City of Anaheim, Annual Municipal Budget (staff time to prepare procedures) 	<ul style="list-style-type: none"> City of Anaheim, Planning Department 	<ul style="list-style-type: none"> Completion of procedures within three years (9/83)
8. Residential/Commercial Development	<ul style="list-style-type: none"> Standards and Plans for Adequate Housing Sites 	<ul style="list-style-type: none"> Develop another method of reducing housing costs by establishing procedures to allow the development of commercial and residential uses in the same building 	<ul style="list-style-type: none"> Evaluate prototypical developments Formulate development policies and standards 	<ul style="list-style-type: none"> City of Anaheim, Annual Municipal Budget (staff time) 	<ul style="list-style-type: none"> City of Anaheim, Planning Department 	<ul style="list-style-type: none"> Completion of analysis within three to five years

B. HOUSING PROGRAMS TO BE IMPLEMENTED	RELATED POLICY AREA	SPECIFIC OBJECTIVES	PROGRAM ACTIONS	FINANCING SOURCE(S)	AGENCY RESPONSIBLE	IMPLEMENTATION SCHEDULE
9. Condominium Conversions	<ul style="list-style-type: none"> • Adequate Provision for Housing Needs • Preservation of Affordable Housing 	<ul style="list-style-type: none"> • Create affordable ownership housing • Control escalating rents • Achieve housing rehabilitation 	<ul style="list-style-type: none"> • Establish guidelines and criteria for apartment to condominium conversions 	<ul style="list-style-type: none"> • City of Anaheim, Annual Municipal Budget • Various programs for below market rate financing and housing assistance 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> • Establish guidelines and/or ordinance within one year (9/81)
10. CHFA Direct Lending	<ul style="list-style-type: none"> • Adequate Provision for Housing Needs 	<ul style="list-style-type: none"> • Assist in the financing of 345 new, affordable rental housing units 	<ul style="list-style-type: none"> • Below market rate construction loans • Below market rate permanent financing • Housing assistance payments for income eligible families 	<ul style="list-style-type: none"> • CHFA, tax-exempt revenue bond proceeds • U.S. Department of Housing & Urban Development (Section 8 housing assistance payments) 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> • Production of affordable rental units by June 1982
11. Section 202 Elderly Housing	<ul style="list-style-type: none"> • Adequate Provision for Housing Needs 	<ul style="list-style-type: none"> • Assist in the financing of 250 new, affordable rental housing units for elderly households 	<ul style="list-style-type: none"> • Below market rate construction loans • Housing assistance payments for income eligible families 	<ul style="list-style-type: none"> • U.S. Department of Housing & Urban Development 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> • Product of new housing by mid-year 1982
12. Cooperative Housing	<ul style="list-style-type: none"> • Adequate Provision for Housing Needs 	<ul style="list-style-type: none"> • Encourage and facilitate a range of ownership opportunities 	<ul style="list-style-type: none"> • Coordinate with organization interested in cooperative housing 	<ul style="list-style-type: none"> • U.S. Department of Housing & Urban Development (mortgage insurance) 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> • Ongoing; target is to establish cooperative housing in three years

B. HOUSING PROGRAMS
TO BE
IMPLEMENTED

RELATED
POLICY AREA

SPECIFIC
OBJECTIVES

PROGRAM
ACTIONS

FINANCING
SOURCE(S)

AGENCY
RESPONSIBLE

IMPLEMENTATION
SCHEDULE

13. Shared Equity	<ul style="list-style-type: none"> • Adequate Provision for Housing Needs 	<ul style="list-style-type: none"> • Facilitate home ownership by first-time buyers • Reduce downpayment requirements 	<ul style="list-style-type: none"> • Consider participation in State programs (AB333) • Promote idea of shared equity among major industrial firms 	<ul style="list-style-type: none"> • State (AB333) 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> • Ongoing; target is to initiate a shared equity program within one year (9/80)
14. Graduated Payment Mortgage	<ul style="list-style-type: none"> • Adequate Provision for Housing Needs 	<ul style="list-style-type: none"> • Facilitate home ownership • Reduce monthly housing payments 	<ul style="list-style-type: none"> • Coordinate with other program activities such as CHFA/HOHI 	<ul style="list-style-type: none"> • Community Development Block Grants (staff time for coordination) 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> • Ongoing
15. Density Bonus	<ul style="list-style-type: none"> • Adequate Provision for Housing Needs 	<ul style="list-style-type: none"> • Provide incentives for the production of affordable housing 	<ul style="list-style-type: none"> • Explore alternative ways of implementing a density bonus concept 	<ul style="list-style-type: none"> • City of Anaheim, Annual Municipal Budget 	<ul style="list-style-type: none"> • City of Anaheim, Planning Department 	<ul style="list-style-type: none"> • Short-term, within one year (9/80)
16. Public Housing	<ul style="list-style-type: none"> • Adequate Provision for Housing Needs 	<ul style="list-style-type: none"> • Assist in the production of 100 to 150 affordable rental housing units 	<ul style="list-style-type: none"> • Obtain voter approval through the referendum process • Prepare and submit funding application 	<ul style="list-style-type: none"> • U.S. Department of Housing & Urban Development 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department 	<ul style="list-style-type: none"> • Prepare and submit application within two years (1982)

C. HOUSING PROGRAMS WHICH NEED FURTHER STUDY	RELATED POLICY AREA	PURPOSE OF STUDY	GROUP RESPONSIBLE FOR STUDY	TIME SCHEDULE FOR COMPLETION
1. Rent Stabilization/ Rent Control Monitoring	• Adequate Provision for Housing Needs	<ul style="list-style-type: none"> • Collect information on rent stabilization/rent control policies of other jurisdictions • Evaluate and prepare periodic reports to Planning Commission and City Council 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department • City of Anaheim, Planning Department 	• Issuance of first report/evaluation within one year (9/81)
2. SB99, Redevelopment Construction Loans	• Adequate Provision for Housing Needs	<ul style="list-style-type: none"> • Continue to monitor Congressional legislation • Review and analyze feasibility of an SB99 revenue bond issue 	• City of Anaheim, Redevelopment Agency	• Completion of study within six months to one year
3. Fair Housing for Children	• Provision of Accessible Housing	<ul style="list-style-type: none"> • Evaluate alternative approaches for assuring housing accessible to families with children • Review and evaluate ordinances & guidelines of other cities 	<ul style="list-style-type: none"> • City of Anaheim, Community Development Department • City of Anaheim, Planning Department 	• Completion of study within one year (9/81)

The Housing Element, in conformance with State planning law, is to generate positive beneficial impacts, particularly with respect to diminishing unmet housing need in the community. For many of the recommended actions, the magnitude of beneficial impacts can be measured in terms of the number of housing units to be improved and/or number of households to be assisted. The major methods by which beneficial impacts will be created include the following:

- Housing assistance to renter households residing in new, standard and rehabilitated housing.
- Rehabilitation of substandard housing for both owner and renter households.
- New construction (at below market costs) for both owner and renter households.

Beneficial impacts resulting from these methods will be created by the individual programs which the City is already implementing and those which are intended to be implemented and for which quantified objectives have been established (i.e., Section 202/Section 8).

Housing assistance to renter households residing in standard quality housing is provided by the Section 8 Housing Assistance Payments Program. That program now serves 1,658 lower income households and another 392 households are projected to be assisted by mid-year 1982. (The latter figure, 392, excludes some 700 Section 8 units which are tied to the multi-family rehabilitation program and 160 which are part of the affordable housing incentives program.) Consequently, by mid-year 1982, this program will provide assistance to 2,050 lower income households in existing, standard housing.

Additional beneficial impacts will be generated by the City's rehabilitation program. By mid-year 1982, it is estimated that 1,937 housing units will be rehabilitated. Table V-1 provides a summary for the individual and cumulative rehabilitation program impacts in terms of the number of housing units to be improved and the intended beneficiaries (i.e., owner/renter households and elderly/family households). About 1,400 of the lower-income households living in the rehabilitated housing also will obtain assistance through the Section 8 program.

Table V-1
City of Anaheim
Individual and Cumulative Impacts -- Housing Rehabilitation Programs

PROGRAM	OWNER			RENTER			GRAND TOTAL
	Elderly	Family	Total	Elderly	Family	Total	
CDBG ¹	43	245	288	151	549	700	988
CHFA/HOHI ²		205	205				205
Section 8 Moderate Rehabilitation ³				120	564	684	684
Section 312 Rehabilitation Loans ⁴		40	40				40
SB229 Deferred Loans ⁵		20	20				20
	43	510	553	271	1113	1384	1937

¹CDBG -- Community Development Block Grants
City Deferred Loan Program p. V-7
Housing Repair Program p. V-8
Low Interest Loan Program p. V-8
Multi-Family Rehabilitation p. V-9
Acquisition with Rehabilitation p. V-10

²CHFA-HOHI -- California Housing Finance Agency/
Home Ownership Home Improvement Program
explained on page V-9.

³Section 8 Moderate Rehabilitation ex-
plained on page V-10

⁴Section 312 Rehabilitation Loans ex-
plained on page V-10

⁵SB229 Deferred Loans, one part of
deferred loan program explained
on page V-8

With regard to new construction, it is estimated that by mid-year 1982 some 890 lower income households will be assisted by one or more programs. Table V-2 summarizes the individual and cumulative impacts that would result from implementation of various new construction programs.

Altogether, these three methods of meeting housing needs will assist an estimated 4,877 households. These households will be assisted primarily by those programs already being implemented by the City of Anaheim. In addition to these programs, however, the (revised) Housing Element also proposes other programs which may further diminish unmet housing need. Listed below are the additional rehabilitation programs, together with estimates (developed by Community Development Department staff) of the potential number of dwellings that could be improved over the next three to five years.

- Section 8 Substantial Rehabilitation -- 75 to 100 units.
- Acquisition with Rehabilitation (public housing) -- 100 to 150 units.
- Residential Rehabilitation (Marks-Foran) -- 300 to 350 units.

These three additional programs, then, are anticipated to assist in the rehabilitation of an estimated 475 to 600 housing units during the next three to five years.

The additional new construction programs are listed below; for each program, estimates are provided of the number of lower income households likely to be assisted over the next three to five year time period.

- Implementation of AB1151 -- 1,050 lower income households
- Second Units -- 1,192 lower income households
- California Housing Finance Agency/Direct Lending Program -- already included in Table V-2 as CHFA/Section 8
- Public Housing (New Construction) -- 100 to 150 lower income households

Thus, these four additional programs are expected to assist in the provision of new, affordable housing for an estimated 2,342 to 2,392 lower income households.

Table V-2
City of Anaheim:
Individual and Cumulative Impacts -- New Construction Programs

PROGRAM	OWNER			RENTER			GRAND TOTAL
	Elderly	Family	Total	Elderly	Family	Total	
Section 235 ¹		135	135				135
Affordable Housing Incentives/ Section 8 ²					160	160	160
CHFA/Section 8 ³					345	345	345
Section 202/ Section 8 ⁴				250		250	250
	0	135	135	250	505	755	890

¹Section 235 Land Acquisition --
Infill and New Construction
explained on page V-21.

²Affordable Housing Incentives/
Section 8 --
Affordable Housing, p. V-22.
Section 8 Existing Housing, p. V-20.

³CHFA/Section 8:
California Housing Finance Agency/
Direct Lending Program, p. V-29.
Section 8 New Construction, p. V-22.

⁴Section 202/Section 8:
Section 202 Elderly Housing, p. V-25.
Section 8 New Construction, p. V-22.

In summary, the *net* impacts of implementing the Housing Element Program can be ascertained by comparing the estimated beneficial impacts to the housing assistance needs of lower income households and to the rehabilitation needs of the existing housing stock. As reported in the Housing Element, Anaheim's housing assistance needs are estimated to be 15,725 lower income households (i.e., 12,500 current, and 3,225 projected, households). The several recommended programs are anticipated to provide housing assistance to some 6,916 lower income households in both the existing (standard and rehabilitated) and new housing stock, as follows:

- Section 8 housing assistance for 2,050 households in the existing, standard housing stock.
- Section 8 housing assistance for 700 households in dwellings rehabilitated pursuant to the "multi-family rehabilitation" program.
- Section 8 housing assistance for 684 households in dwellings rehabilitated through the "moderate rehabilitation" program.
- Section 8 housing assistance for 75 households in housing units rehabilitated via the "substantial rehabilitation" program.
- Housing assistance to 150 households in dwellings rehabilitated through the "acquisition with rehabilitation" program.
- Section 8 housing assistance to 755 households through the "affordable housing incentives," "CHFA/Section 8," and "Section 202/Section 8" new construction programs.
- Section 235 housing assistance to 135 households in newly constructed housing.
- Production of affordable housing for an estimated 1,050 lower income households through implementation of the AB1151 program.
- Production of affordable housing for an estimated 1,192 lower income households through implementation of the "second units" program.
- Housing assistance to 125 households through the "public housing" new construction program.

The foregoing programs will provide housing assistance to 2,050 households in existing, standard housing, 1,609 households in rehabilitated

housing and 3,257 households in newly constructed housing. Altogether, the housing assistance programs are expected to help meet the needs of an estimated 6,916 lower income households. Consequently, the analysis of net impacts means that City of Anaheim, by implementation of the Housing Element Program, will serve to meet about 44% (i.e., $6,916 \div 15,725$) of the housing assistance needs over the next three to five years. (It must be noted, though, that the impact estimates for AB1151 and second units are very tentative and provisional at this time. Moreover, the idea of second units is subject to further review and analysis. That program may not be implemented to the magnitude anticipated by the foregoing estimates.)

In the area of housing quality conditions, the City is estimated to have 6,440 housing units needing rehabilitation. The several rehabilitation programs are expected to achieve improvements to 2,487 housing units; thus, about 38% of the needs are projected to be met during the next three to five years. A detailed breakdown is provided below.

- Rehabilitation of 1,384 rental housing units (see Table V-1)
- Rehabilitation of 553 owner-occupied housing units (see Table V-1)
- Section 8 substantial rehabilitation -- 75 housing units.
- Acquisition with rehabilitation (public housing) -- 150 housing units.
- Residential rehabilitation (Marks-Foran) -- 325 housing units.



INTERNAL CONSISTENCY

Section 6454 of the Housing Element Guidelines (HEG) state the following:

Internal consistency among general plan elements is required. Section 65300.3 of the Government Code states that the general plan shall comprise an integrated, internally consistent set of policies. This applies not only to the mandated elements but to the optional elements as well. (The mandated elements are land use, housing, circulation, noise, conservation, open space, seismic safety, scenic highways, and safety. Optional elements include community design, redevelopment, and historic preservation.) Where a locality undertakes revision of any element of its general plan, it should also examine the other elements (especially those elements most directly related) to assure internal consistency.

The City has adopted all mandatory elements of a general plan as follows:

<u>Element</u>	<u>Adoption Date</u>
• Land Use	1969
• Circulation	1969
• Open Space	May 1973
• Conservation	May 1973
• Scenic Highways	September 1974
• Seismic Safety	October 1974
• Safety	October 1974
• Noise	September 1974
• Housing	May 1973

In addition, the City has adopted the following permissive element of a general plan:

<u>Element</u>	<u>Adoption Date</u>
• Redevelopment	May 1973

RELATIONSHIP BETWEEN EXISTING GENERAL PLAN ELEMENTS AND THE REVISED HOUSING ELEMENT

Consistency among the nine mandatory General Plan elements is achieved if they represent an integrated set of policies. However, each element has a special focus and must comply to certain guidelines and requirements. When the City adopted its current Elements of the General Plan there was no necessity to make explicit statements on how they related to housing needs. But, each of these elements do contain goals, policies, objectives or standards which bear a relationship to some of the policy areas of a housing element.

Most of the elements have a relationship to one or both of the following policy areas: 1) housing and neighborhood preservation and 2) standards and plans for adequate housing sites. None of the elements, however, have any significant relationships to the remaining three policy areas of a housing element -- that is, adequate provision for housing needs, continued affordability and accessible housing.

In Table VI-1, a summary is presented of how each of the Elements of Anaheim's General Plan relates to the policy areas of *housing and neighborhood preservation* and *standards and plans for adequate housing sites*. Those statements included in Table VI-1 were extracted from the eight elements and indicate how various goals, policies, objectives and standards serve to meet the intent and purpose of two housing element policy areas. Most of these statements reinforce the aims of the Anaheim Housing Element with the exception of one major policy area. That policy area is the planned density for the residential neighborhoods surrounding the downtown area. Much of this area is the focus of neighborhood preservation programs; however, it is generally single-family in character and has high density land use designations.

Table VI-1
Relationship Between General Plan Elements and
Housing Element Policy Areas

	HOUSING AND NEIGHBORHOOD PRESERVATION	STANDARDS AND PLANS FOR ADEQUATE HOUSING SITES
LAND USE	Neighborhood Preservation -- <i>Most of the residential area surrounding downtown Anaheim is planned for higher density multi-family development.</i>	Plans -- <i>Seven categories of residential land use are provided, ranging from 1.5 dwellings per acre to 36 dwellings per acre.</i> <i>Both existing and planned multi-family areas are located in close proximity to the City's growing industrial areas, near existing and planned park facilities, and are part of a total residential community that includes single-family neighborhoods.</i>
CIRCULATION		Plans -- <i>Arterial highways and other systems in the circulation pattern are intended to aid the process of providing for adequate sites for residential development.</i>
OPEN SPACE	Neighborhood Livability -- <i>It is the policy of the City to provide 1.5 acres of neighborhood and community parks for each 1,000 persons.</i>	Standards -- <i>Significant areas of open space are mandated by the Zoning Ordinance as a requirement for development such as set-back areas, yards and parking spaces.</i>

HOUSING AND
NEIGHBORHOOD PRESERVATION

STANDARDS AND PLANS
FOR ADEQUATE
HOUSING SITES

OPEN SPACE

Neighborhood Improvements -- Development of other mini-parks should be encouraged and supported as a means by which neighborhood areas can be enhanced by improving small, vacant parcels on either a temporary or a permanent basis.

CONSERVATION

Neighborhood Protection -- Extensive flood control facilities have been built by the Orange County Flood Control District to alleviate the risks associated with urbanization of the flood plains.

Plans -- It has been the policy of the City Council to require a "favorable" flood hazard letter from the Orange County Flood Control District for any new development in the Santa Ana Canyon Area which is within the flood plain boundaries.

SCENIC HIGHWAYS

Standards of Development for Scenic Corridors -- Apply or retain land use controls which will protect the corridor.

Encourage sensitive site selection and open space development.

HOUSING AND
NEIGHBORHOOD PRESERVATION

STANDARDS AND PLANS
FOR ADEQUATE
HOUSING SITES

SEISMIC SAFETY

Neighborhood Protection -- The City of Anaheim recognizes the potential danger to life and property which is characteristic of an area where earthquakes are an ever-present possibility. It also recognizes the responsibility of the City to provide the provisions and policies to minimize and alleviate the damage and disruption which may result from seismic disturbances.

Neighborhood Protection -- The overall objective of the seismic element is to reduce loss of life, injuries, damage to property, and economic and social dislocations resulting from future geologic and seismic activity. Within the framework of the General Plan, this necessarily includes the establishment of varying restrictions and requirements on the types of uses and structures to be permitted in a given area and programs for the possible modification or removal of existing uses and structures in hazardous areas.

Plans -- Detailed site investigations are needed prior to the approval of construction in any suspected active fault zone.

Plans -- The Anaheim area is susceptible to moderate potential landslide activity in hillside areas. Future development is designed to take landslide hazards in the area into consideration.

Standards -- The greatest threat to life and property is posed by those structures which do not conform to the Uniform Building Code relative to earthquake loading. There is a substantial number of such nonconforming structures in the City. The Zoning Code provides that these structures may not be enlarged and if they are destroyed to the extent of more than 50%, they may not be restored.

SAFETY

Neighborhood Protection -- It is strongly recommended that the City of Anaheim actively participate in the Federal insurance program as part of the Safety Element implementation.

Plans -- The Seismic Safety and Safety Element has identified a series of existing and potential geologic hazards which should be taken into account in future land use planning.

HOUSING AND
NEIGHBORHOOD PRESERVATION

STANDARDS AND PLANS
FOR ADEQUATE
HOUSING SITES

NOISE

Neighborhood Livability -- One of the objectives of the Anaheim General Plan is to provide for and maintain a safe, attractive and desirable living environment for all residents of the community. Consistent with this objective, the importance of achieving and maintaining a low noise level is recognized as a factor in the quality of life.

Plans -- Noise shall be considered along with other environmental concerns in decisions relating to the construction of public facilities and in land use planning.

Plans --Proposals for residential construction should include provision for shielding the occupants from excessive noise levels by such means as walls, berms, setbacks and insulation.

Standards -- The City's subdivision code requires that on all lots adjacent to freeways and expressways, a six foot high landscaped, earthen berm shall be provided adjacent to the right-of-way line. However, where special circumstances exist, such as limited size, unusual slope, extreme topography or dominating drainage problems, a decorative masonry wall may be required in lieu of the earthen berm.

ACHIEVING INTERNAL CONSISTENCY BETWEEN THE REVISED HOUSING ELEMENT AND OTHER ELEMENTS OF THE GENERAL PLAN

A few of the recommendations included in the Housing Element will require coordination with the City's present Land Use Element. The actions and recommended internal consistency measures are noted below:

<u>Actions</u>	<u>Internal Consistency Recommendations</u>
Site Inventories	<i>The City intends to complete these inventories in the near future as part of its on-going land use planning activities. Moreover, the results of the inventories will be coordinated with any future amendments of the Land Use Element.</i>
Implementation of AB1151	<i>The City intends to develop a program to implement the density bonus provision and other incentives of AB1151. This program, as it is refined, will be closely coordinated with any future revisions of the Land Use Element.</i>
"Second Units"	<i>Studies must be undertaken on the locational criteria and development standards which should be applied on the construction of "second units." The added density of "second units" in existing neighborhoods must be considered as part of on-going land use planning activities.</i>



INTERGOVERNMENTAL
COORDINATION

On the subject of intergovernmental coordination, Section 6470 of the Housing Element Guidelines (HEG) states the following:

If housing need within a general housing market area is to be confronted effectively, the localities within the market area must cooperate on a continuing basis. The development of a fair share allocation plan provides one vehicle for ongoing intergovernmental coordination. Localities should pursue other regional or sub-regional approaches to confronting the housing problem.

A Council of Governments can also provide a valuable service to localities by reviewing local housing elements from a regional perspective. Each locality should provide a copy of its housing element to the Council of Governments for its area. Localities should also provide the governing bodies of contiguous local jurisdictions with copies.

FAIR SHARE ALLOCATION PLAN

Anaheim's "fair share" of regional housing needs was discussed in Section II -- Housing Problem Statement. That fair share need is estimated to be 432 households, according to the fair share allocation plan developed by the Southern California Association of Governments. The Anaheim Housing Element includes the fair share need estimate of 432 households, although that estimate may understate housing need induced by the expansion of employment opportunities in the Anaheim community.

REGIONAL AND SUB-REGIONAL PLANNING APPROACHES

Information included in the Anaheim Housing Element establishes the relationship of Anaheim's housing needs to those of the southern California region, Orange County and northern Orange County. That information is included in the Regional Setting description of the Housing Problem Statement. The City's share of regional and sub-regional housing needs is presented and explained for four categories: 1) households needing

assistance, 2) fair share adjustment, 3) need adjusted for fair share [a sum of the first two categories], and 4) units needing rehabilitation. These need data are summarized in the Housing Problem Statement and presented in complete detail in Background Paper #1.

Anaheim's updated Housing Element also is related to current regional (SCAG) and sub-regional (County of Orange) planning approaches. SCAG has prepared a Draft Regional Housing Element (April 1979). That Draft Element offers a "regional housing strategy" which is defined in the following terms:

The Regional Housing Strategy is a guide for governments at all levels to use in addressing regional housing issues, goals and objectives. The strategy addresses both the similar and different needs of cities in the region. It assumes that cities with a large percentage of their housing stock in deteriorated condition need more public and private investment to stop or reverse deterioration than do cities with few such problems. It also assumes that all urban cities have a responsibility for providing housing for a "fair share" of the region's low- and moderate-income households.

The strategy groups urban cities into three categories (determined by the amount of housing deterioration forecast for each) and identifies specific problem areas needing major or minor emphasis in each type of city.

The City of Anaheim is included in the category of "Potential Reinvestment Cities and Communities." According to the SCAG document, cities in this category:

...have moderate amounts of housing that needs to be replaced or rehabilitated, and a lot of housing that needs maintenance to prevent deterioration...They have a moderate number of lower-income residents, many of whom need housing assistance. Tax bases in these cities are fairly stable, but have a potential to decline in the near future if housing deterioration increases.

The Regional Housing Strategy describes several issues and problems which require "major" or "minor" emphasis in "Potential Reinvestment

Cities and Communities." Those issues and problems are properly emphasized by Anaheim's updated Housing Element because of the comprehensiveness of its housing plan and program.

There is a high degree of interrelationship between Anaheim's housing strategy and that of the County of Orange (which represents a sub-regional planning approach). In 1979, the County of Orange adopted a Housing Element in conformance with the State Guidelines. Many of the action programs included in the County of Orange Housing Element also are a part of Anaheim's updated Housing Element. These approaches include: 1) the issuance of tax exempt revenue bonds to provide below market-rate financing, 2) the acquisition of land for the development of new affordable rental and homeownership housing, 3) Section 312 rehabilitation loan program, and 4) the continuation of housing and neighborhood preservation programs financed by Community Development Block Grants.

REVIEW OF ANAHEIM'S REVISED HOUSING ELEMENT

As part of its intergovernmental coordination program, the City intends to provide copies of its updated Housing Element to:

- Southern California Association of Governments so that it may review the document from a regional perspective.
- Contiguous cities.
- County of Orange.



UPDATE, REVIEW AND
REVISION PROCESS

Section 6472 of the Housing Element Guidelines (HEG) states that:

Because of the inherently dynamic nature of the local planning process, periodic review and appropriate revision of the local housing element is essential.

The housing element shall be revised as need dictates, but no less than once every five years. The periodic revision shall include, as appropriate:

- (a) Revision of the housing problem analysis to incorporate new census data made available by the United States Census at five year intervals.*
- (b) Revision of the housing program.....*

Moreover, Section 6472 of the Guidelines states that:

In addition to the periodic updating of the housing element itself, localities should informally reevaluate their housing programs at more frequent intervals.

This evaluation process should consider the following factors, according to the HEG:

- 1) ...the effectiveness of the housing program in accomplishing housing objectives and effectuating the policies and priorities established in the housing element...." and*
- 2) ...the current plans which have been discontinued since the last update or will be discontinued, indicating the reasons for their discontinuation.*

Thus, according to the Guidelines, an update, review and revisions process should focus on the housing problem analysis and housing program. In the following pages, an explanation is given of how the City of Anaheim may revise, on a regular basis, the Housing Problem Statement contained in this updated Housing Element. In addition, a discussion is presented of various methods and techniques that the City may use to evaluate its housing program.

HOUSING PROBLEM ANALYSIS

Section III of this Revised Housing Element contains a Housing Problem Statement which was prepared in conformance with the Housing Element Guidelines. That statement is a summary of more complete statistics that have been compiled and included in two Background Papers.

The Housing Problem Analysis is an assessment of housing needs and housing constraints. Seven factors are considered by the housing needs analysis, as follows:

- Affordability/Cost Assistance
- Overcrowding
- Habitability
- Special Needs
- Fair Share
- Projected Market-Rate Need
- Projected Nonmarket-Rate Needs

These seven need categories are explained in Section III of this report.

Besides a housing needs assessment, the Problem Statement also analyzes the following constraints:

- Market Constraints (e.g., prices, rents, vacancies)
- Governmental Constraints (e.g., processing, fees, land use controls, etc.)

To update and revise the housing problem analysis requires the collection and analysis of information published by numerous sources. In Table VIII-1, 17 data sources have been identified which periodically publish information useful to an analysis of housing needs and constraints. That same table also defines the information from each data source which may be used to update the information contained in this Revised Housing Element and Background Papers #1 and #2.

The process for updating and revising the Housing Problem Analysis is presented in terms of both the data source and the various need and constraint categories. Across each data source are listed the information

Table VIII-1
Update of Housing Problem Analysis

DATA SOURCES	HOUSING NEEDS						MARKET CONSTRAINTS			GOVERN- MENTAL CONSTRAINTS
	Affordability	Overcrowding	Habitability	Special Needs	Fair Share	Projected Need	Prices	Rents	Costs	
FEDERAL										
1. Federal Home Loan Bank Board							Periodic Housing Surveys by Zip Code Area	Periodic Vacancy Surveys by Zip Code Area		
2. Annual Housing Surveys -- U.S. Bureau of the Census	Countywide Data -- Shelter Expenditure-- Ratios by Income-- Owner & Renter Households	Countywide Data -- Persons per Room-- Owner & Renter Households	Countywide Data -- Substandard Housing	Countywide Data -- Age of Household Head (elderly)-- Various Indicators for Minority Groups						
3. 1980 Federal Census -- U.S. Bureau of the Census	Renter/ Owner Household Income Distributions; Gross Rent as a Percentage of Income	Persons per Room		Estimates of Elderly & Minority Population			Estimated Value of Owner-Occupied Units	Estimated Payments of Renter-Occupied Units		
4. U.S. Department of Commerce -- Expenditure Surveys	% Spent on Housing Payments									

DATA SOURCES	HOUSING NEEDS						MARKET CONSTRAINTS			GOVERN- MENTAL CONSTRAINTS
	Affordability	Overcrowding	Habitability	Special Needs	Fair Share	Projected Need	Prices	Rents	Costs	
5. U.S. Department of Labor -- Family Budgets	Family Budgets, Including Housing Payments, for Three Standards of Living									
6. U.S. Department of Housing & Urban Develop- ment	Periodic Household Income Estimates					Countywide Short Range Forecasts -- Market Demand Plus Subsidized Housing	Periodic Housing Market Analyses	Periodic Housing Market Analyses		
STATE										
7. California Employment Development Department	Wage & Salary Estimates for Employ- ed Persons					Employment Estimates for Census Tracts & Countywide Employment Projection				
8. California Department of Finance						City Housing & Population Estimates; Countywide Employment Forecasts	Vacant Unit Estimates	Vacant Unit Estimates		

DATA SOURCES	HOUSING NEEDS						MARKET CONSTRAINTS			GOVERNMENTAL CONSTRAINTS
	Affordability	Overcrowding	Habitability	Special Needs	Fair Share	Projected Need	Prices	Rents	Costs	
LOCAL										
9. City of Anaheim			Housing Code Violations Update of Housing Condition Surveys			Dwelling Unit Estimates				Updates of Processing Fees, Zoning & General Plan
10. County	Countywide Household Income Estimates					Housing & Population Estimates & Projections				
11. Southern California Association of Governments			Update of Regional Housing Allocation Model		Update of Regional Housing Allocation Model	Growth Policy				
PRIVATE										
12. First American Title Insurance Co.							Sales Price Distribution of Single Family & Condominium Units			

DATA SOURCES	HOUSING NEEDS					Projected Need	MARKET CONSTRAINTS			GOVERN- MENTAL CONSTRAINTS
	Affordability	Overcrowding	Habitability	Special Needs	Fair Share		Prices	Rents	Costs	
13. Real Estate Research Council						Dwelling Unit & Population Estimates	Idle Meter Data of Single Family Housing; Ownership Cost Index	Idle Meter Data of Multi Family Housing; Rent Cost Index	Construction Cost Index	
14. Recorded Facts							Recorded Tracts (quarterly) by Number, Number of Lots, Number Completed, Number Sold			
15. Security Pacific Bank							Building Permits Issued	Building Permits Issued		
16. SREA Market Data Center, Inc.*							Sales Prices of New Homes & Resale Units Re- ported Monthly & Quarterly			
17. Urban Decision Systems, Inc. **	Family Income Estimates by City (Annually) plus Per Capita, Median & Mean Income Values									

*SREA Market Data Center, Inc. Society of Real Estate Appraisers -- private research firm that publishes sales price data geo-coded by Thomas Bros. quadrant.

**Urban Decision Systems, Inc. UDS -- private research firm that publishes updated income and demographic data for housing, market and population studies.

items which may be used to update a particular need or constraint category. Moreover, for each need or constraint category, the various data sources are listed that may be useful to the process of updating the Housing Problem Analysis.

HOUSING PROBLEM EVALUATION

Program evaluation is another part of the *update, review and revision process*. Through that process, the City may determine the extent to which goals and objectives have been achieved and eventually make decisions on whether existing programs should be continued or discontinued. The field of "program evaluation" has three fundamental purposes and involves several methods and techniques. These methods and techniques are more fully explained in the following pages.

PURPOSES OF PROGRAM EVALUATION

Program evaluation serves three purposes:

- To provide descriptive information about the type and quantity of program activities or inputs (*program effort*).
- To provide information about the achievement of the goals of the current stage of program development (*program effectiveness*).
- To provide information about program effectiveness relative to program effort (*program efficiency*).

An evaluation of program effort is an assessment of the amounts and kinds of program activities that are necessary for the achievement of program goals within a particular developmental stage. Such activities may include staff time, the allocation and use of material resources (i.e., funds, space and equipment) and ancillary resources that are employed (i.e., media, public relations, etc.).

An evaluation of program effectiveness considers the extent to which the goals (or quantitative objectives of those goals) of a program, at a

particular stage, have been achieved. Program effectiveness also measures the impact a program has had on the community, program clients, or neighborhood -- that is, it relates goal achievement to community need. For instance, an evaluation of *goal achievement* considers the number of units rehabilitated in relationship to the pre-determined goals. By comparison, an evaluation of *program impact* considers the number of units rehabilitated in relationship to community rehabilitation needs.

An evaluation of effectiveness also examines the desirable and undesirable unanticipated consequences (i.e., results of programs that were not planned by program staff) that may result from program activities. This type of program evaluation is somewhat more nebulous and difficult to measure because the unanticipated consequences often are unclear until some experience has been acquired by actual implementation.

An evaluation of *program efficiency* focuses on the relationship between efforts and effectiveness. Efficiency is an index of the relative costs for achieving program objectives, where costs include expenditures of manpower, time, money, physical facilities, and so on. For instance, a measure of efficiency could be the total per-unit rehabilitation costs, inclusive of labor, materials, staff time, paperwork, and, perhaps, interest payments on principal amounts. If these total per-unit rehabilitation costs seem high, the City of Anaheim could consider alternative strategies of implementing a particular rehabilitation program.

PROGRAM EVALUATION METHODS AND TECHNIQUES

Several methods and techniques may be used for purposes of completing a program evaluation(s) of the City's housing program. The choice of appropriate methods and techniques is a function of the program to be evaluated, the focus of the evaluation (i.e., costs versus impacts) and resources to be allocated to the evaluation effort. The following list presents a catalog of methods and techniques which the City may select to use in the future.

EVALUATION METHOD

EVALUATION TECHNIQUES

Program Accounting:

Refers to the compilation of statistics on the numbers of program beneficiaries -- that is, the families which have been served by the City's housing programs.

Survey Research:

Refers to activities which collect facts about a program and which explain program outcomes or results. For example, surveys of property owners could help to explain why CDBG targeted neighborhoods have differential participation rates in the City's housing rehabilitation program.

Case Study:

Refers to a comprehensive description of housing programs as they have developed and been implemented. Several methods are frequently applied, including participant observation, informal interviews, group analysis, and content analysis of written reports. A fundamental purpose of the case study is to find out what combination of factors has contributed to the success or lack of success or particular programs. In this instance, the "program" is seen in its entirety and, consequently, the case study involves a comprehensive overview of the major actors contributing toward program goals achievement; the City and participating staff, the clients; the dwellings, U.S. Department of Housing and Urban Development; County of Orange; the neighborhood; the housing market in terms of prices, rents and new construction; and related land use and development regulations.

Cost Accounting:

Refers to efforts that relate program costs to outputs. Outputs are those program actions that are measurable and include: number of units rehabilitated; number of units constructed at various price levels; total units constructed; number of lineal feet of street resurfacing; number of street lights installed and so on. Cost accounting produces unit-cost figures for analyzing, budgeting, and allocating resources. This method also produces unit-cost for types of program services; labor, material, financing, staff time for inspections, consulting, counseling, follow-up or rehabilitation work, administration, management, and so on.

EVALUATION METHOD

EVALUATION TECHNIQUES

Benefit-Cost Analysis:

Refers to evaluating the relative effectiveness of alternative programs, or aspects of programs, in terms of cost. It attempts to ascertain the relationship between required resources (costs) to the attainment of specified goals (benefits). For instance, this type of analysis is useful if the objective is to find out which of a number of possible rehabilitation programs will result in the optimal benefits under a given allocation of resources.

In the future, the City of Anaheim may select from one or more of the available evaluation methods and techniques to determine the effectiveness and/or efficiency of its several housing programs. Many of the statistics necessary for conducting successful evaluation efforts already are available to the City as a result of the updated Housing Element, CDBG program (i.e., performance reports), and continuous land/use planning activities. In addition, the City implements cost-benefit analysis and other related evaluation techniques as part of its ongoing review and evaluation of major development projects.

APPENDIX A

PUBLIC PARTICIPATION PROCESS

An 18-member Housing Element Citizens Advisory Committee was appointed by the City Council as a method of providing public participation in the planning process. On the following page, the members of the Advisory Committee are listed and the organizations that they represented are identified.

The Advisory Committee met regularly during the course of the project. From the time period of July 1979 to January 1980, the Advisory Committee accomplished the following:

- Review of housing needs and housing constraints, as contained in Background Papers #1 and #2.
- Review of housing programs that the City is currently implementing and possible additional programs or actions.
- Review and modification of preliminary housing goals, policies and priorities. Section IV of the Housing Element lists the goals, policies and priorities which the Advisory Committee recommended for adoption by the Planning Commission and City Council.
- Review and modification of preliminary housing program. Section V of the Housing Element describes the programs and actions which the Advisory Committee recommended for adoption by the Planning Commission and City Council.
- Review of the Draft Housing Element.

Additional methods of public participation included a series of public meetings and public hearings before both the Planning Commission and City Council.

HOUSING ELEMENT
CITIZEN ADVISORY COMMITTEE

Jeanne Blackwell	League of Women Voters
Dick Darbo	Anaheim Economic Development Corporation
Amin David, Jr.	Planning Commission
Ed Gardner	Housing Commission
Jan Hall	Hill & Canyon Municipal Advisory Commission
Art Hiraga	Orange County Fair Housing Council
Herb Leo	Anaheim Chamber of Commerce
Al Milo	Orange County Renter's Association
Estella Nichols	Senior Citizens
Jane Oseid	Redevelopment Commission
Pat Ramstack	Rockwell International
Frank Reitzel	Anaheim Board of Realtors
Bob Swanson	Anaheim Savings and Loan
Bill Teach	Community Outreach Program
Mo Tidemanis	Anaheim Hills, Incorporated
Richard Vargas	People for Community Development
Bob Weins	Weins Land Development
Jim West	Community Services Board

APPENDIX B
CITY OF ANAHEIM
HOUSING ELEMENT OF THE GENERAL PLAN
HOUSING UNITS SUITABLE FOR REHABILITATION
JULY 1980

PROCEDURES FOR ESTIMATING THE NUMBER OF HOUSING UNITS SUITABLE FOR REHABILITATION

The estimated number of housing units which are suitable for rehabilitation is based on the results of several surveys which have examined the exterior physical condition of Anaheim's housing stock. Each of these surveys is described below as well as the procedures used to establish an estimate (from each survey) of the number of units suitable for rehabilitation.

Housing Condition Survey of Downtown Project Alpha

This survey was completed during September 1979 and included five neighborhood survey areas located within Downtown Project Alpha. One of the five survey areas is bounded by Harbor Boulevard (one lot east) on the west, Cypress Street on the north, Clementine Street on the east and Chartres Street on the south. The remaining four survey areas are generally bounded by Philadelphia Street on the west, Cypress Street on the north, East Street on the east, and Broadway on the south.

Housing units considered suitable for rehabilitation included those evaluated as in need of minor, moderate, or major repairs. According to the survey results, 65.4% of the parcels had housing unit(s) in need of repairs. That percentage value was then applied to all the housing units (N=526) included in the survey areas to yield an estimate of 344 housing units suitable for rehabilitation. All of the units included in the survey are located in NSA 1, Census Tract 873.00.

Patt Street Community Improvement Plan

This study was completed in May 1976. The Patt Street neighborhood consists of seven blocks and is bounded by La Palma Avenue on the south, Kemp Street on the west and Olive Street on the east. Over the past few years, three housing condition surveys have been conducted

in the Patt Street neighborhood (by the County of Orange, City of Anaheim, and Urban Projects, Inc.). The combined average of these three surveys indicates that there are 58 housing units in need of either minor or major repair. The Patt Street neighborhood is located in NSA 1, Census Tract 865.02.

City of Anaheim Housing Element -- Housing Structure Surveys

These surveys were completed in August and September of 1979 as part of the work program for revision of the Housing Element. Altogether, some 3,000 housing units were evaluated in terms of 23 factors (e.g., foundation, walls, landscaping, etc.). Selection of the housing units to survey was done on a sample basis, with consideration given to age of the stock and geographic location in the City of Anaheim. None of the housing units surveyed included structures built after 1970.

For each of the housing units surveyed, the following geographic references are noted in the survey form:

- Quarter Section
- Census Tract
- Neighborhood Strategy Area
- Recorded Tract Number
- Lot Number
- Street Address

For purposes of identifying units suitable for rehabilitation, the survey data were first organized geographically: by Neighborhood Strategy Area, by Census Tract, and by Residential Tract Number. The individual survey forms then were evaluated to identify the number and proportion of units suitable for rehabilitation per residential tract. Housing units were classified as suitable for rehabilitation if inadequate conditions were noted for one or more of the following structural or mechanical elements:

- Walls
- Roof
- Chimneys/Cornices
- Porches/Stairs
- Doors
- Windows
- Electrical
- Plumbing
- Garage
- Carport

For each residential tract (located within a Census Tract and Neighborhood Strategy Area) the percentage of units suitable for rehabilitation was computed. That percentage value then was applied to all of the dwellings in the residential tract for purposes of establishing the estimated number of units considered to be suitable for rehabilitation. Since most of the housing units within any given residential tract were built during the same time period, utilization of the foregoing methodology is a fairly accurate estimating procedure.

The estimates of units suitable for rehabilitation per residential tract were then aggregated to the Census Tract level. The following subsection presents the survey findings for each Census Tract located in a Neighborhood Strategy Area. Housing units located outside of the Neighborhood Strategy Areas also were evaluated according to procedures described in the foregoing paragraphs.

City of Anaheim Housing Element -- Neighborhood Reconnaissance Surveys

The neighborhood reconnaissance surveys were completed in August and September of 1979. These surveys were conducted for the purpose of identifying the predominant housing quality conditions of most residential neighborhoods in the City (i.e., the housing stock built after 1970 was not evaluated). The survey findings were organized geographically

according to quarter section and residential tract number. From the field survey observations, the percentage of dwellings suitable for rehabilitation was estimated. That percentage value was then applied to all of the dwellings located in the residential tract in order to establish the estimated number of housing units suitable for rehabilitation. The figures were then compiled for each Census Tract located in a Neighborhood Strategy Area. Residential tracts located outside of a Neighborhood Strategy Area also were evaluated according to the procedures noted above.

City of Anaheim Housing Element -- Multi-family Rehabilitation Areas

These surveys were completed in July 1980. As a result of the housing structure surveys and neighborhood reconnaissance surveys, several multi-family neighborhoods were observed to have dwellings with inadequate conditions and which were in need of rehabilitation. In addition, the staff of the Community Development Department identified other multi-family rehabilitation areas. The surveys were conducted in order to verify housing conditions and to establish an estimate of the number of dwellings suitable for rehabilitation. The survey findings are reported in the following sub-section under the column heading of "multi-family dwellings."

ESTIMATES OF THE NUMBER OF HOUSING UNITS AVAILABLE FOR REHABILITATION

Based on the procedures explained in the previous sub-section, there are an estimated 5,430 substandard housing units that are suitable for rehabilitation within the five survey areas. This is a minimum estimate because of two factors: 1) the estimate excludes housing units whose exterior conditions are adequate but possess inadequate interior conditions [i.e., each survey evaluated only exterior conditions] and 2) some residential areas [including single-family and multi-family] which were constructed prior to 1970 have not been surveyed. To correct for this highly probable underestimate, some percentage figure could be applied

to the balance of the pre-1970 stock (N=55,908) exclusive of the dwellings already found to be suitable for rehabilitation (N=5,430). It is estimated that 2% of the remaining 50,478 (i.e., 55,908 minus 5,430) housing units are suitable for rehabilitation, or a total of 1,010. Thus, the Citywide estimated number of housing units suitable for rehabilitation is 6,440 (i.e., 5,430 plus 1,010). Data included in Table B-1 on page B- are related only to the housing units included in the five surveys explained in the previous sub-section.

The information contained in Table B-2 is based on the estimate of 6,440 housing units which are suitable for rehabilitation. That table expresses, for each census tract, the number of housing units suitable for rehabilitation as a percentage, first, of all the units in the census tract and, second, as a percentage of all the units in the City which are suitable for rehabilitation. Census tracts 865.02 (44.9%) and 875.01 (44.6%) have the highest tract-specific percentage of housing units suitable for rehabilitation. Of all the units suitable for rehabilitation (N=6,440), about 60% are found in the four CDBG target areas (refer to Exhibit V-1) and the remaining 40% are located throughout the City, predominantly in multi-family structures. The boundaries of the City's census tracts (as of 1976) are delineated in the Exhibit found at the end of this Appendix B.

Table B-1
City of Anaheim
Estimated Number of Housing Units Suitable for Rehabilitation
By Neighborhood Strategy Area, Census Tract and Housing Type

Neighborhood Strategy Area	Census Tract	Single-family Dwellings	Multi-family Dwellings	Total Dwellings	Percentage Distribution
1. <i>Central City</i>	865.01	201	---	201	3.70%
	865.02	172	437	609	11.22
	873.00	452	16	468	8.62
(sub-total)		(825)	(453)	(1,278)	(23.54)
2. <i>Citron</i>	874.01	271	---	271	4.99
	874.02	---	337	337	6.21
	874.03	27	358	385	7.09
(sub-total)		(298)	(695)	(993)	(18.29)
3. <i>South Anaheim</i>	875.01	38	705	743	13.68
	875.02	5	294	299	5.51
	884.03	---	---	---	---
(sub-total)		(43)	(999)	(1,042)	(19.19)
4. <i>Patrick Henry</i>	866.01	42	492	534	9.83
(sub-total)		(42)	(492)	(534)	(9.83)
5. <i>Other*</i>		170	1,413	1,583	29.15
(sub-total)		(170)	(1,413)	(1,583)	(29.15)
GRAND TOTAL		1,378	4,052	5,430*	100.00

* Excludes an estimated 1,010 housing units which are suitable for rehabilitation and which are located throughout the City.

* Other Single-family

<u>Tract #</u>	<u>Quarter Section</u>	<u>Units Suitable for Rehabilitation</u>
238	63	9
351	63	30
1820	8	131
		<u>170</u>

Other Multi-family

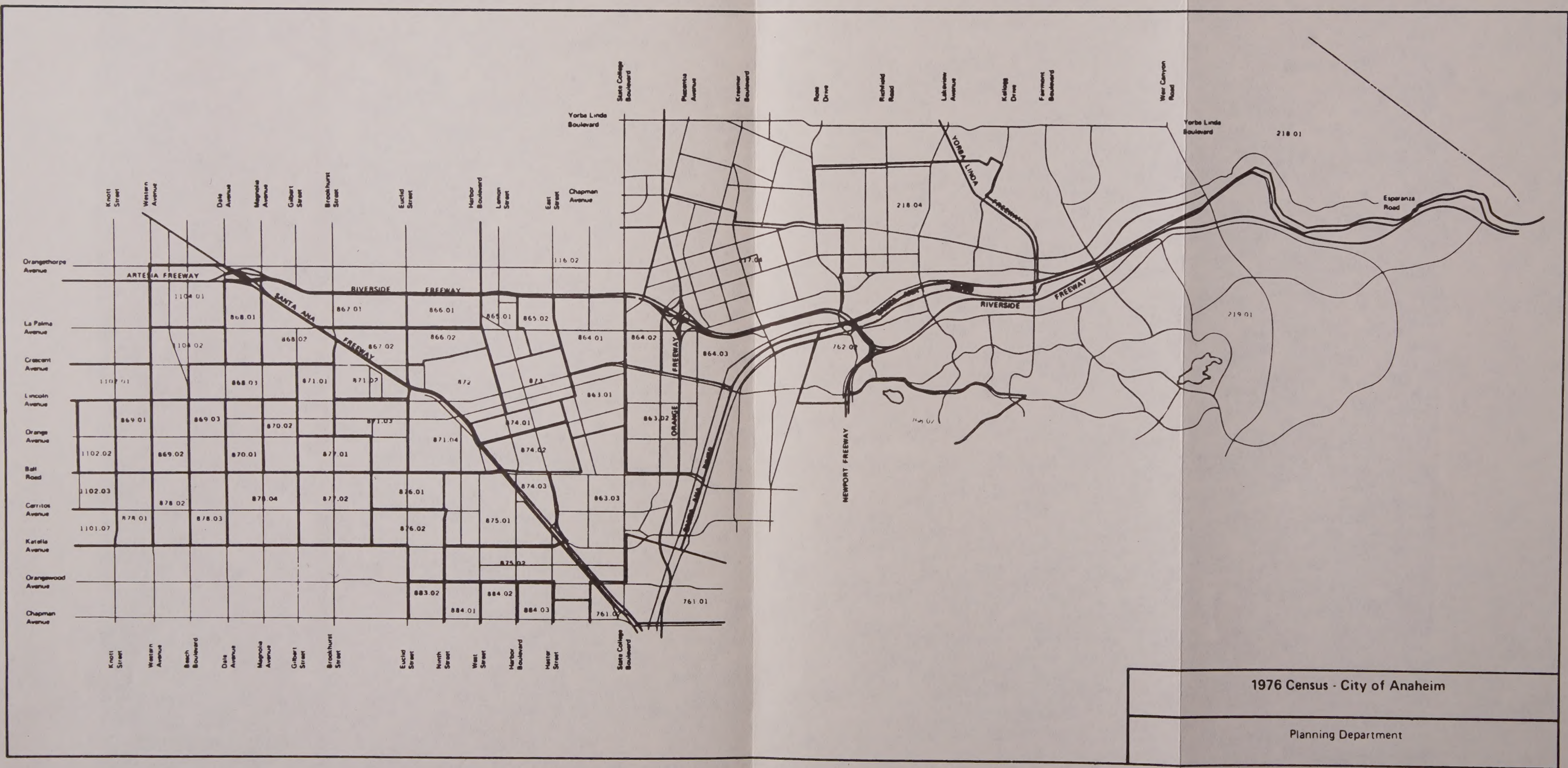
<u>Tract #</u>	<u>General Location</u>	<u>Units Suitable for Rehabilitation</u>
2225	Olinda	86
3398	Glencrest	
5449	Gramercy	299
3552	Danbrook	71
3694	Canoga	64
	Del Monte	180
3812	Neighbors & Glen	268
5053	Brownwood	272
Village Apts.		173
		<u>1,413</u>

Table B-2
City of Anaheim
Estimated Number and Percentage of Housing Units Suitable for Rehabilitation
by Neighborhood Strategy Area and Census Tract

Neighborhood Strategy Area	Census Tract	Total Dwellings Suitable for Rehabilitation	Census Tract Units Suitable for Rehabilitation as % of All Units in Census Tract	Census Tract Units Suitable for Rehabilitation As % of All Units Suitable for Rehabilitation (N=6,440)
1. Central City	865.01	201	17.8%**	3.1%
	865.02	609	44.9	9.5
	873.00	468	22.9	7.3
		<u>1,278</u>	<u>28.2</u>	<u>19.9</u>
2. Citron	874.01	271	31.3%	4.2%
	874.02	337	16.3	5.2
	874.03	385	38.1	6.0
		<u>993</u>	<u>25.2</u>	<u>15.4</u>
3. South Anaheim	875.01	743	44.6%	11.5%
	875.02	299	7.2	4.6
	884.03	---	---	---
		<u>1,042</u>	<u>16.2</u>	<u>16.1</u>
4. Patrick Henry	866.01	534	23.8%	8.3%
5. Other*	Citywide	<u>2,593</u>	<u>3.9%</u>	<u>40.3%</u>
TOTALS		6,440	7.7%	100.0%

*Includes 1,583 "other" units listed in Table B-1 for which a geographic reference is available plus 1,010 additional other units located throughout the City (see narrative for explanation).

**Percentages computed on the basis of the 1980 Federal Census and unofficial working counts of housing units.



1976 Census - City of Anaheim

Planning Department



U.C. BERKELEY LIBRARIES



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